



AGENDA MEMORANDUM

Future Item for the City Council Meeting of June 10, 2014
Action Item for the City Council Meeting of June 17, 2014

DATE: May 21, 2014

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Resolution for Special CDBG Code Enforcement Activities

CAPTION:

Resolution of the City Council of the City of Corpus Christi accepting the determination that certain areas of the City are deteriorating areas and designating these areas for special code enforcement activities in Community Development Block Grant Program.

PURPOSE:

Approve City Resolution determining that all Community Development Block Grant (CDBG) eligible census tracts are designated to be deteriorating areas, and designating these areas for special code enforcement activities in the CDBG Program.

BACKGROUND AND FINDINGS:

The United States Department of Housing and Urban Development (HUD) requires the City approve a resolution for identifying deteriorating areas and designate the boundaries of these areas in order to meet national objectives and activity eligibility requirements for utilizing Community Development Block Grant Program (CDBG) funding for special code enforcement activities.

The primary purpose of the CDBG program, administered by HUD, is the development of viable communities by providing decent housing, suitable living environments and expanding economic opportunities, principally for persons of low to moderate income. Eligible activities and projects funded by this program must meet at least one of the three national objectives:

1. Benefit low- and moderate-income persons;
2. Aide in the prevention and elimination of slums or blight, and or
3. Meet an urgent need.

Historically, the City of Corpus Christi has utilized a portion of its CDBG funds to provide code enforcement activities within designated areas meeting low and moderate income levels identified by HUD. However, it has recently been determined by HUD that CDBG funded code enforcement activities must be a “special effort” under eligible housing rehabilitation and preservation (24 CFR 570.202 (c)). A “special effort” must be in addition to the regular code enforcement activities provided citywide and funded by the General Fund.

The CDBG special code enforcement activity is defined as a more concentrated effort to assist in housing rehabilitation and housing preservation in deteriorating areas, where combined with other public or private improvements, rehabilitation, or services, would be expected to prevent the continued deterioration of the area.

The current year CDBG funding for special code enforcement activities is \$323,296. The amount proposed in the 2014/15 Consolidated Annual Action Plan is \$330,000. CDBG provides funding for five (5) code enforcement compliance officers...three (3) at 100% and two (2) at 50%. CDBG funds also provide one (1) full-time clerical support staff person.

HUD has requested that all jurisdictions allocating CDBG funding for special code enforcement approve a resolution delineating “deteriorating areas”, and approve a new resolution every three to five years in order to focus this activity where most beneficial. Eligible areas are subject to change as new data is released by HUD and Census surveys. A recent analysis by Code Enforcement staff determined all CDBG eligible census tracts meet the criteria for a deteriorating area and meet the national objective of serving the low-moderate population. An area qualified as low-moderate must have a population where at least 40.3% of the residents have a median income defined by HUD as low-moderate.

The special CDBG code enforcement efforts shall be conducted in all CDBG eligible census tracts. The Special Code Enforcement objective is to strengthen and preserve neighborhoods, by preventing deterioration of properties, through the enforcement and abatement of code violations.

If the resolution is not approved, the City will not be eligible to utilize CDBG funds for code enforcement activities, resulting in these area not receiving the additional code enforcement staffing needed, or causing these activities to be funded by the General Fund.

ALTERNATIVES:

1. Direct staff to modify the resolution.

OTHER CONSIDERATIONS: “Not Applicable”

CONFORMITY TO CITY POLICY:

City Council approval is required for utilizing CDBG funding for special code enforcement activities.

EMERGENCY / NON-EMERGENCY:

This item is non-emergency

DEPARTMENTAL CLEARANCES:

Legal

FINANCIAL IMPACT: “Not Applicable”

Operating Revenue Capital X Not applicable

Fiscal Year: 2014-2015	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments: Budget is being presented by Housing and Community Development as a portion of the FY 2014-2015 Consolidated Action Plan.

RECOMMENDATION:

Staff recommends the approval of Resolution for Special CDBG Code Enforcement Activities to qualify as its own individual activity.

LIST OF SUPPORTING DOCUMENTS:

- Resolution
- Exhibit A – CDBG Census Tract Map
- Code of Federal Regulations: PART 570—COMMUNITY DEVELOPMENT BLOCK GRANTS; Subpart C—Eligible Activities; §570.202 Eligible rehabilitation and preservation activities; subsection (c) code enforcement.