



AGENDA MEMORANDUM

Public Hearing/1st Reading Ordinance for the City Council Meeting of April 23, 2013
2nd Reading Ordinance for City Council Meeting April 30, 2013

DATE: 3/26/2013

TO: Ronald L. Olson, City Manager

THRU: Eddie Ortega, Director of Neighborhood Services
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Public Hearing/1st Reading Ordinance regarding the City of Corpus Christi's proposed FY2013-2014 Consolidated Annual Action Plan.

CAPTION:

Ordinance to adopt the fiscal year (FY) 2013-2014 Consolidated Annual Action Plan (CAAP), for the Community Development Block Grant (CDBG), the Emergency Solutions Grant (ESG), and the HOME Investment Partnerships (HOME) Programs; to authorize the City Manager or designee to submit the FY2013-FY2014 CAAP to the U.S. Department of Housing and Urban Development (HUD), and to amend if required by HUD; to authorize the City Manager or designee to execute all documents necessary to accept and appropriate upon receipt the grants from HUD into the Grant Fund No. 1059 for the approved FY2013-2014 CAAP projects and further to execute funding agreements and all other documents necessary to implement the FY2013-2014 CAAP with organizations for approved projects; and to ratify the ESG funding agreements and other applicable implementation documents to be effective as of August 1, 2013.

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 FY2013-2014. Ordinance will include the adoption of the proposed CAAP.

BACKGROUND AND FINDINGS:

The U.S. Department of Housing and Urban Development (HUD) regulation requires, as part of the approved process for the FY2013-FY2017 Consolidated Plan/Citizens Participation Plan, three (3) public hearings prior to the adoption of the FY2013-2014 CAAP. An initial public hearing was held at Corpus Christi City Hall on December 11, 2012. An additional public hearing to receive additional input was held on December 19, 2012. The public hearing to be conducted on Tuesday, April 23, 2013 by the City of Corpus Christi's City Council will satisfy the requirement of the second required hearing though three public hearings were held.

The City of Corpus Christi has received a preliminary allocation from HUD which, at this time, is not final due to the federal sequester.

\$2,462,699 – Community Development Block Grant (CDBG) – proposed 5% reduction from FY2012-2013
\$ 251,306 – Emergency Solutions Grant (ESG) – proposed 5% reduction from FY2012-2013
\$ 979,141 – HOME Investment Partnership Program (HOME) – 5% proposed reduction from FY2012-2013

An additional \$700,000 generated from the Revolving Rehabilitation Loan Program (Program Income) and \$150,000 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 \$846,149 recaptured from previously funded projects that were unspent have been made available to be reprogrammed to augment funding levels for the upcoming FY 2013-2014 CDBG program allocations for a total funding level of \$4,158,848.

Since 1975, the City of Corpus Christi has received funding for its CDBG Programs in excess of 168.1 million, of which approximately \$18 million has been income generated by various programs administered by the Neighborhood Services Department.

The ESG Program will have a proposed allocation amount of \$251,306 for FY2013-2014. 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 a proposed allocated amount of \$979,141 as a funding level from entitlement funds to be received, with an additional \$800,000 being made available for reprogramming from previously funded recaptured program funds, as well as \$120,000 from Program Income from the Rehabilitation Program for an estimated available funding amount of \$1,899,141 for the FY2013-2014 Budget Year.

Two Public Hearings were conducted on December 11 and December 19, 2012 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 23, 2013, as part of their regular agenda, will conduct a Public Hearing on the proposed FY2013-2014 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 FY2013-2014 CAAP. Adoption of the FY2013-2014 CAAP will be presented at the next City Council meeting Scheduled for April 30, 2013. The FY2013-2014 CAAP will be published on May 5, 2013. 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 FY2013-2014 CAAP to HUD on June 13, 2013.

The FY2013-2014 Consolidated Annual Action Plan will be submitted to HUD on June 13, 2013 following the required 30 day citizen comment period.

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: 2013-2014	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 FY2013-2014 CAAP

LIST OF SUPPORTING DOCUMENTS:

Ordinance
PowerPoint