



AGENDA MEMORANDUM

Public Hearing/1st Reading Ordinance for the City Council Meeting of June 10, 2014
2nd Reading Ordinance for City Council Meeting June 17, 2014

DATE: 5/26/2014

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Public Hearing/1st Reading Ordinance regarding the City of Corpus Christi's proposed FY2014-2015 Consolidated Annual Action Plan.

CAPTION:

Ordinance to adopt the fiscal year (FY) 2014-2015 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 FY2014-2015 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 FY2014-2015 CAAP projects and further to execute funding agreements and all other documents necessary to implement the FY2014-2015 CAAP with organizations for approved projects.

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 FY2014-2015. 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, two (2) public hearings prior to the adoption of the FY2014-2015 CAAP. An initial public hearing was held at Corpus Christi City Hall on December 5, 2013. An additional public hearing to receive additional input was held on December 9, 2013. The public hearing to be conducted on Tuesday, June 10, 2014 by the City of Corpus Christi's City Council will satisfy the requirement of the two required hears, though three public hearings were held.

The City of Corpus Christi has received official notification from the U.S. Department of Housing and Urban Development (HUD) of the FY2014-2015 funding allocation for the following programs.

\$2,559,415	Community Development Block Grant (CDBG)
\$ 221,614	Emergency Solutions Grant (ESG)
\$ 974,920	HOME Investment Partnerships Program (HOME)

It is important to note that for FY2014-2015, CDBG will experience a 6% reduction, ESG will experience a 17% increase, and HOME will experienced a 1% reduction from prior year funding based entitlement funding which will be received.

An additional \$1,000,000 generated from the Revolving Rehabilitation Loan Program will be made available to the CDBG Program for the continued self-funding of that program. Additionally, \$147,000 generated from Program Income for the Demolition Liens Program (\$87,000) and Property Clearance Program (\$60,000) will be made available to the CDBG Program for continued funding of these programs. Additional funding in the amount of \$227,126 which was recaptured from previously funded projects that were unspent, have been made available to be reprogrammed to augment funding levels for the upcoming FY2014-2015 CDBG program allocations for a total funding level of \$3,933,541.

Since 1975, the City of Corpus Christi has received funding for its CDBG Programs in excess of 171.2 million, of which approximately 19.5 million has been income generated by various programs administered by the Housing and Community Development Department.

The ESG Program will have an allocation amount of \$221,614 for FY2014-2015. 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 and Rapid Re-housing activities. Commencing in 1987, the City of Corpus Christi has received in excess of \$3.7 million in funding for ESG services.

The HOME Program will have an allocation amount of \$974,920 as a funding level from entitlement funds to be received, with an additional \$700,000 being made available for reprogramming from previously funded recaptured program funds for a preliminary estimated funding amount of \$1,674,920 for the FY2014-2015 Budget Year. The HOME Program was initiated in 1992 with the mandate to increase and improve affordable housing opportunities; HOME funds totaling \$34 million have been utilize to fund Rental and Home Ownership programs in addition to the rehabilitation and reconstruction of affordable housing within the City of Corpus Christi. Of the \$34 million in HOME funding, approximately \$3.9 million of those funds have been made available from previous loans as generated program income; these funds have been utilized to augment available funding.

The FY2014 CAAP represents the second annual action plan of the developed five-year (FY2013-FY2017) Consolidated Plan and is the application for HUD for funding for the CDBG, ESG, and HOME Programs.

The FY2014 CAAP describes the activities and projects to be assisted with funds received under CDBG, ESG, HOME, and other HUD/Non-HUD programs that help to meet housing and community developed objectives.

The City Council adopted a timetable that provides for public hearings during Technical Assistance Workshops which were held on December 5 and December 9, 2013, to be followed by the City Council public hearing on June 10, 2014. Citizens' public comment period begins on June 23, 2014 and ends July 22, 2014, for the FY2014 CAAP. Subsequently, adoption of the CAAP is scheduled for June 17, 2014, allowing timely submission of the program to HUD. The proposed FY2014 CAAP has been developed according to HUD regulations.

Staff will be making a brief presentation to the City Council at the opening of the Public Hearing so that staff may outline the FY2014-2015 CAAP's eligibility criteria for the programs and staff's recommendations. Housing and Community Development held three Technical Assistance Workshops on November 6, 2013 and December 5 and 9, 2013, and two Technical Assistance Workshops which included a Public Hearing on

December 5 and 9, 2013. Also held, was a Technical Assistance Workshop and Neighborhood Meeting on December 12, 2013 at Corpus Christi City Hall. The public hearing date with City Council was also disclosed at this time.

The FY2014-2015 Consolidated Annual Action Plan will be submitted to HUD on August 13, 2014 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: 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: 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 FY2014-2015 CAAP

LIST OF SUPPORTING DOCUMENTS:

- Ordinance
- Attachment D FY2014 CDBG
- Attachment D FY2014 ESG
- Attachment D FY2014 HOME
- Ranking Averages for CAAP FY2014
- 5-year CAP Priority Need Levels