



City of Rialto

Legislation Text

File #: 21-0242, **Version:** 1

For City Council Meeting [May 11, 2021]

TO: Honorable City Council

APPROVAL: Sean Grayson, Acting City Manager

FROM: Stephen Erlandson, Deputy City Manager

Request City Council to Set a Public Hearing for **June 8, 2021** to Consider and Approve the City's 2021-2022 Community Development Block Grant (CDBG) Annual Action Plan.

BACKGROUND

The U. S. Department of Housing and Urban Development (HUD) requires that the City prepare and submit a Consolidated Plan One-Year Action Plan if it receives Federal funding under one or more of the following programs: Community Development Block Grant (CDBG), HOME, Housing for People with AIDS (HOPWA), and Emergency Solutions Grant (ESG). As a recipient of CDBG funds, the City has prepared a draft One-Year Action Plan (2021-2022) for review and consideration by the City Council and submittal to HUD.

The Action Plan will appropriate CDBG, funds to specific programs and projects for the 2021-2022 fiscal year. The City anticipates receiving \$1,248,066 in federal community development funds for the 2021-2022 Program Year. In addition, the City has a total of \$184,826 of prior year funds that remained on projects and/or activities that were completed and closed out. As a result, the City has a total of \$1,432,892 in CDBG funds available to commit to eligible projects.

ANALYSIS/DISCUSSION

As a prerequisite to receiving its annual CDBG allocation, the City is required to submit a One-Year Action Plan. The Action Plan delineates Rialto's plan for the use of its 2021-2022 CDBG funds. It describes the resources available for program implementation; activities to be undertaken during Program Year 2021-2022; a monitoring plan; the City's homeless and anti-poverty strategies; and coordination efforts that have or will be undertaken to implement the Action Plan.

The Consolidated Plan One-Year Action Plan, for Program Year 2021-2022, provides recommendations for funding by the Rialto CDBG Ad-Hoc Committee. The recommendations are separated into three categories 1) Administration 2) Public Services and 3) Capital Improvement Projects.

The City is allocating CDBG funds to programs and projects in the Draft Action Plan using an estimated HUD grant amount of \$1,248,066 (similar to PY 20-21) to facilitate the citizen participation and approval process. In the event that the final formula grant amount of CDBG funding received from HUD is higher or lower than the planned amount, the CDBG Ad-Hoc Committee is recommending that staff adjust the funding amounts for each program and project identified in the

Action Plan proportionally and in compliance with regulatory requirements for funding allocations.

As a prerequisite to submitting its Annual Action Plan, the City's Citizen Participation Plan and CDBG implementing regulation require that a public meeting be held to allow citizens and public service agencies the opportunity to express their views concerning the use of said funds. Said public meetings were held respectively on April 16, 2021 and April 28, 2021 before the Ad-Hoc Committee. This year the City received a total of 15 applications comprised of ten (10) public service agencies, four (4) capital improvement projects, and one (1) Fair Housing and Landlord Tenant service program. Each agency was given an opportunity to present its program and make a formal request for CDBG funding.

A public hearing before the City Council is required to allow citizens to comment on the proposed use of the CDBG funds and to consider and approve the City's 2021-2022 Consolidated Plan One-Year Action Plan. In addition, the draft One-Year 2021-2022 Action Plan must be made available to the general public for a period of 30 days in order to provide them with an opportunity to review the Ad-Hoc Committee's recommendations for funding. In compliance with the City's approved Citizen's Participation Plan and CDBG implementing regulation 24 CFR 92-105, a Public Notice was published to solicit public comments from interested citizens and to consider and approve the City's Consolidated Plan One-Year 2021-2022 Action Plan. The public hearing was noticed for June 8, 2021 at 6:30 p.m. (see attached notices).

ENVIRONMENTAL IMPACT

The request is not a Project as defined by Section 15378 of the California Environmental Quality Act (CEQA).

GENERAL PLAN CONSISTENCY

Guiding Principle #4 of the City's General Plan states:

Rialto is an Active Community. Our community will support the creation and maintenance of attractive parks, recreational facilities, and gathering places that meet the needs of our residents.

LEGAL REVIEW

The City Attorney has reviewed and supports this staff report.

FINANCIAL IMPACT

Operating Budget Impact

The funding for the proposed 2021-2022 CDBG projects totaling \$1,432,892 will come from the City's 2021-2022 allocation and prior year unallocated CDBG funds from the U.S. Department of Housing and Urban Development (HUD). Upon submittal and approval of the City's Annual Plan by HUD, funds equal to this amount will be available to the City.

Capital Improvement Budget Impact

There is no impact to the Capital Improvement Budget.

Licensing

A Business License application and payment of a Business License tax is not required for this action.

RECOMMENDATION

Staff recommends City Council set a Public Hearing for June 8, 2021 to consider and approve the City's 2021-2022 Community Development Block Grant (CDBG) Annual Action Plan.