



Board Agenda Item 11

DATE: June 21, 2022

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

Sanja Bugay, Director
Department of Social Services

SUBJECT: 2022-23 Annual Action Plan for Community Development Block Grant, HOME Investment Partnerships Grant, and Emergency Solutions Grants Programs

RECOMMENDED ACTION(S):

1. **Conduct public hearing to receive testimony on proposed County community development, housing, and homeless grant programs;**
2. **Approve 2022-23 Annual Action Plan, including use of Community Development Block Grant, HOME Investment Partnerships Grant, and Emergency Solutions Grants;**
3. **Authorize the Director of the Department of Public Works and Planning to execute Standard Form 424, Certifications, and Entitlement Grant Agreements for Community Development Block Grant and HOME Investment Partnerships Grant; and**
4. **Authorize the Director of the Department of Social Services to execute Standard Form 424, Certification, and Entitlement Agreement for Emergency Solutions Grants.**

The recommended actions are necessary for the County's participation in the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG), HOME Investment Partnerships Grant (HOME), and Emergency Solutions Grants (ESG) entitlement programs and permit staff to submit the required planning document and applications for entitlement funds to HUD. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board may approve the Annual Action Plan as proposed or make any changes as appropriate consistent with the Federal regulations governing each of these grant programs.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The Annual Action Plan for Program Year (PY) 2022-23 serves as the application for Fresno County's annual allocation of CDBG, HOME, and ESG funds.

The County's urban county area for the PY 2022-23 will consist of the unincorporated areas and seven

participating cities (Fowler, Kerman, Kingsburg, Mendota, Reedley, Sanger, and Selma). Participating cities receive allocations of CDBG funds based on the same HUD formula by which the urban county program receives its funding.

Program funding for the unincorporated area portion of the CDBG funds, which is allocated each year by the Board to the County's ongoing programs, is included as Attachment A. The total allocation for the seven participating cities (incorporated area portion) is also listed in Attachment A.

The two public service programs (Sheriff's Area Based Policing and Community-Based Social Service Programs) are funded at the maximum amount allowable by HUD. The combined total amount of the public service programs cannot be increased, though funding could be decreased or adjusted between the two programs. The remaining unincorporated area programs (Housing/Commercial Rehabilitation and Public Facility/Infrastructure Improvement Projects) may be funded at any amount of the total unincorporated area portion of the CDBG funds. A brief description of these programs is included as Attachment B.

The CDBG and HOME programs each have an administrative cost allowance that pays for the administrative costs associated with these grant programs. Additionally, up to 7.5% of the ESG funds may be used for administration. The Action Plan includes a breakdown of how the programmatic portion of these grants will be utilized.

DISCUSSION:

The Action Plan is submitted annually and serves as the County's application for its allocation of entitlement funds from HUD. The 2022-23 Action Plan is the second annual plan prepared to implement and achieve the goals and objectives outlined in the five-year Consolidated Plan approved by the Board on April 28, 2020. The plans are required by Federal regulations in order for the County to receive CDBG, HOME, and ESG funds.

The Department of Public Works and Planning collaborates with the Department of Social Services to prepare the Consolidated Plan and each Annual Action Plan and administers the CDBG and HOME Programs, as directed by the Board. The Department of Social Services recommends for Board approval, negotiates, and monitors agreements with selected eligible community-based programs utilizing CDBG and ESG in the administration of these programs.

Participating cities in Fresno County's Urban County CDBG Program for the PY 2022-23 will include Fowler, Kerman, Kingsburg, Mendota, Reedley, Sanger, and Selma. Participating cities in Fresno County's CDBG Program receive annual allocations from this grant based on the same HUD formula by which the urban county program receives its funding from HUD. Cities may also agree to exchange funds between each other on a year-to-year basis to expedite expenditures necessary to meet Federal expenditure requirements. Attachment C contains the list of the cities' proposed activities for PY 2022-23, as included in the recommended Action Plan.

The Housing and Community Development Citizens Advisory Committee (CAC) has completed its review and ranking of five proposed public facility and infrastructure improvement projects for the unincorporated areas. The recommended amount of CDBG funds for unincorporated area public facility and improvement projects, in accordance with established Board policy, enables the first project on the CAC's recommended list to be funded with the remaining projects placed on a back-up list in priority order, as shown in Attachment D. Projects are then funded from the back-up list in the proposed priority order as funds may become available during the course of the year.

For community-based social services, the Department of Social Services recommends continued funding for the ongoing community-based social services programs approved by the Board of Supervisors on August 10, 2021. The recommended 2022-23 program year CDBG funding for the community-based social service agencies as included in the Annual Action Plan is included in Attachment E.

The HOME Grant funds are used for housing rehabilitation loans, homebuyer (down payment) assistance loans for first-time homebuyers, and affordable housing development loans, serving clients in the unincorporated areas and the seven participating cities of Fowler, Kerman, Kingsburg, Mendota, Reedley, Sanger and Selma. These program areas are listed in Attachment F. HOME funds are expended between the programs as applications are received from eligible clients on a first-come, first-served, basis for projects in the unincorporated areas and five participating cities, in order to comply with Federal expenditure requirements. The County is mandated to use at least 15% of the HOME grant funds for affordable housing projects carried out by designated Community Housing Development Organizations (CHDOs). The Board approves the specific project agreements for all affordable housing development projects.

ESG funds may be used for the following five program components: street outreach/emergency shelter, homelessness prevention, rapid re-housing, Homeless Management Information System (HMIS), and administrative activities (up to 7.5% of the allocation). In compliance with HUD requirements, the Department of Social Services consults with and provides recommendations to the Fresno Madera Continuum of Care (FMCoC) for ESG allocations. Recommendations are integrated with the goals and other funding plans throughout the Continuum to ensure the most effective use of funding. ESG funds for the PY 2022-23 will be used for rapid rehousing to assist homeless individuals, families, and the chronically homeless to move from living on the street, or other unstable housing conditions, to a stabilized, permanent housing situation. Activities include case management, financial assistance, rental assistance, security deposits, moving costs, and supportive services.

The Annual Action Plan includes certifications that assure HUD that the County has complied with various guidelines, regulations, and citizen participation requirements. These include conducting two public hearings, affirmatively furthering fair housing, maintaining a drug-free workplace, limiting lobbying, and ensuring that the activities of the Action Plan will principally benefit persons of low and moderate-income. The County has complied with all of these requirements.

OTHER REVIEWING AGENCIES:

The Consolidated Plan Committee (CPC) conducted a noticed public hearing on housing and community development needs during its meeting on November 3, 2021. This public hearing began the planning process for the preparation of the Action Plan. The CPC includes Housing and Community Development Citizens Advisory Committee (CAC) members from unincorporated area communities and neighborhoods (appointed by your Board), and representatives from the seven participating cities.

The Annual Action Plan has also been available for public review and comment to the general public on the County's website at www.co.fresno.ca.us/grants.

REFERENCE MATERIAL:

BAI #56, August 10, 2021
BAI #5, April 28, 2020

ATTACHMENTS INCLUDED AND/OR ON FILE:

Attachments A - F
On file with Clerk - 2022-23 Annual Action Plan

CAO ANALYST:

Salvador Espino