



AGENDA REPORT

Meeting Date: January 21, 2014
Item Number: E-1
To: Honorable Mayor & City Council
From: James R. Latta, Human Services Administrator
Subject: RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS APPROVING A FINAL STATEMENT OF COMMUNITY DEVELOPMENT OBJECTIVES AND PROJECTED USE OF FUNDS FOR FORTIETH YEAR (2014-2015) FUNDING UNDER THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974 AS AMENDED

Attachments:

1. Resolution
2. Community Development Block Grant Income Limits
3. Notice of Public Hearing for the CDBG Program for the 2014-2015 Fiscal Year

RECOMMENDATION

Staff recommends the City Council adopt the attached Resolution (attachment 1) approving the City's annual application to the Los Angeles County Community Development Commission (LACDC) for the 2014-2015 Program year funds under the federal Community Development Block Grant (CDBG) program. Staff also recommends that these funds be allocated to continue to support the City's current programs benefiting low to moderate-income residents (attachment 2).

INTRODUCTION

The purpose of the LACDC application is to identify the general categories of eligible activities the grant is to fund and the proposed service providers. Adoption of the resolution approving the application does not preclude the City Council from making changes if it considers alternate specific programs for funding in the future. The 2014-2015 program year begins July 1, 2014, consistent with the City's fiscal year.

The federal allocations for 2014-2015 have not yet been finalized. However the City has been informed that it's preliminary CDBG funding estimate is \$165,185. The estimate is

\$8,694 less than this current year allocation of \$173,879. Any difference in the final funding figure would be distributed proportionally among the proposed programs.

Up to fifteen percent (15%) of the FY 2014-2015 allocation may be used for public service programs such as the Services for Seniors program. The remaining balance of CDBG funds is to be used to administer and fund the City's Multi-Family and Single Family Handyworker programs.

As a result of the 2013-14 CDBG budget cuts, Willdan Engineering Inc. closed their Housing Rehabilitation Division. Jewish Family Services will continue to provide the Services For Seniors Program. A Request For Proposal (RFP) was sent out to thirteen qualified organizations for bid. The following three organizations responded: JWA Urban Associates, Pacific Municipal Consulting and Diana CHO and Associates. An evaluation panel comprised of Human Services, Code Enforcement and the Farmers' Market manager scored each of the submissions and determined Pacific Municipal Consulting to be the most qualified provider. Pacific Municipal Consulting is a private California corporation that offers planning, environmental, and other municipal services to public agencies across California and elsewhere since 1995.

To offset the cumulative decrease of nearly 10% in the FY 2012-2013 and FY 2013-14 allocations, staff recommends budgeting this year's allocation of \$165,185 and all unallocated funds of \$93,056 for a total of \$258,241 to maintain the Services For Seniors program, expand the Multi-Family handyworker program from a maximum of \$2,000 per household to a maximum of \$5,000 and continue the Single Family Housing Rehabilitation program grant per household at a maximum \$15,000. Actual needs and approved projects may fall well below the maximum allocation.

PROPOSED CDBG BUDGET FOR 2014-2015

Services For Seniors	\$ 24,778.00
Handyworker Services- Multi-Family	\$ 107,820.00
Handyworker Services- Single Family	\$ 125,643.00

TOTAL	\$ 258,241.00
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The City receives an annual allocation of federal Community Development Block Grant (CDBG) funds through the Los Angeles Community Development Commission (LACDC). These funds must be used to assist low to moderate-income persons and households in the City. CDBG funds that the City does not expend in a particular year may be returned to the City in the form of unallocated funds. These funds are termed unallocated because they have not been programmed for specific projects.

The City may use unallocated funds to fund CDBG-eligible activities in future years; however, as of March 31st of each year, the City may have no more than 150 percent of its current year's allocation unexpended. This is known as the "drawdown requirement." If a City does not meet the drawdown requirement, the County may opt to recapture some of the City's CDBG funds. Staff expects the City to meet the drawdown requirement deadline with the additional expenditure of \$118,880 in CDBG funds by March 31. In addition, staff estimates that approximately \$68,000 will be spent on assisting eligible residents with the new Wood Roof Replacement Ordinance.

The Single Family budget of \$15,000 and this year's increase in the Multi-Family budget from \$3,000 to \$5,000 provides the flexibility to utilize funds for more extensive repairs and allows the City to meet the drawdown requirement on a regular basis. This year the Multi-Family budget was increased to address the high demand for assistance from qualifying households.

DISCUSSION

Below are descriptions of the activities proposed for CDBG funding in 2014-2015 and an explanation of how the City can meet the CDBG drawdown requirement.

Services For Seniors Program

The City's Services For Seniors Program consists of the Senior Case Management program provided by the non-profit Jewish Family Service (JFS). Senior Case Management is a program of careful monitoring and ongoing support for older adults who need assistance from a social worker, coordination of in-home care services, and counseling to continue living independently. It is recommended that the 15% public service allocation of \$24,778 continue to support the JFS Senior Case Management program.

Handyworker Programs/Housing Rehabilitation

The City historically has funded both Multi-Family and Single-Family Handyworker Programs. The handyworker programs provide minor home repairs, mobility, and security improvements to low and moderate income Beverly Hills residents. It is recommended that the Multi-Family program be funded in the amount of \$107,820 and the Single-Family Program be funded in the amount of \$125,643.

CDBG Drawdown Requirement

The CDBG regulations are stringent which make it difficult to identify projects eligible for CDBG funding. Often, the City does not expend all of its CDBG funds so unallocated funds have accumulated. It can be particularly difficult for cities such as Beverly Hills, which does not have any qualified low-income areas, to find CDBG-eligible projects.

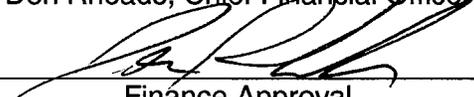
PUBLIC NOTICE AND COMMENTS

The CDBG requirements of citizen participation in the application process were met by posting notices on January 7, 2014 (attachment 3).

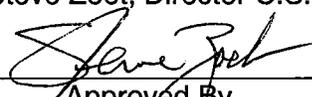
FISCAL IMPACT

Costs associated with these programs will be reimbursed to the City at the end of the fiscal year using CDBG funds.

Don Rhoads, Chief Financial Officer


Finance Approval

Steve Zoet, Director C.S.


Approved By

ATTACHMENT I

Resolution

RESOLUTION NO. 14-R-_____

RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS APPROVING A FINAL STATEMENT OF COMMUNITY DEVELOPMENT OBJECTIVES AND PROJECTED USE OF FUNDS FOR FORTIETH YEAR (2014-2015) FUNDING UNDER THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974 AS AMENDED

The City Council of the City of Beverly Hills does hereby resolve as follows:

Section 1. That certain Fiscal Year 2014-2015 Community Development Block Grant (CDBG) Program and Budget, a copy of which is on file in the Office of the City Clerk and which consists of the following Community Development Block Grant (CDBG) 2014-2015 Planning Summary, is hereby approved, subject to the right of the City to amend the Community Development Activity Program.

Application Planning Summary

Services for Seniors	\$ 24,778
Housing Rehabilitation Handyworker Services	
Single Family Units	\$ 125,643
Multi-Family Units	<u>\$ 107,820</u>
TOTAL	\$ 258,241

Should the City's final allocation of funds vary from the figure used in the 2014-2015 Planning Summary, the Human Services Administrator is authorized to distribute the final allocation proportionally among the approved projects.

Section 2. The Mayor and/or City Manager are authorized to execute the agreements necessary to implement the Community Development Block Grant Projects outlined herein.

Section 3. The City Manager is authorized to direct staff to submit the City's final application package for Fiscal Year 2014-2015 to the County of Los Angeles reflecting the funding allocations set forth herein. Should the City's allocation vary by 25% from the figures contained herein, the City Manager has discretion to authorize the allocation of such additional funding to any eligible activities.

Section 4. The City Clerk shall furnish a copy of the approved Fiscal Year 2014-2015 CDBG Program and Budget and a copy of this resolution to: Community Development Block Grant Division, Community Development Commission, County of Los Angeles, 700 Main Street, Alhambra, California 91801.

Section 5. The City Clerk shall certify to the adoption of this resolution and shall cause this resolution and his certification to be entered in the Book of Resolutions of the Council of this City.

Adopted:

JOHN A. MIRISCH
Mayor of the City of Beverly Hills, California

ATTEST:

BYRON POPE
City Clerk (SEAL)

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:



STEVE ZOET
Director of Community Services



DON RHOADS
Director of Administrative Services/Chief Financial
Officer

ATTACHMENT 2

Community Development Block Grant Income Limits



LOS ANGELES COUNTY

CDBG BULLETIN



COMMUNITY DEVELOPMENT COMMISSION • 700 W. Main Street • Alhambra California 91801

NUMBER: 14-0001
F514-0001

SUBJECT: 2014 INCOME GUIDELINES

DATE: January 6, 2014

EFFECTIVE DATE: IMMEDIATELY

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**TO: COMMUNITY-BASED ORGANIZATIONS
PARTICIPATING CITIES
COUNTY DEPARTMENTS
CDC DIVISIONS
OTHER PUBLIC AGENCIES**

The 2014 income guidelines (effective December 18, 2013) for use in the Community Development Block Grant (CDBG) and First Five LA (F5) Programs are listed below. These guidelines should be used to determine compliance with each program's objective of providing benefit to eligible persons. They are also used in determining eligibility for the Public Housing and Section 8 Programs, and are effective until a new schedule is issued.

INCOME LIMITS

Family Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Moderate-Income	\$45,650	\$52,200	\$58,700	\$65,200	\$70,450	\$75,650	\$80,850	\$86,100
Low-Income	\$28,550	\$32,600	\$36,700	\$40,750	\$44,050	\$47,300	\$50,550	\$53,800
Extremely Low-Income	\$17,150	\$19,600	\$22,050	\$24,450	\$26,450	\$28,400	\$30,350	\$32,300

Please note that the 2014 median family income for Los Angeles County is \$60,600.

These guidelines refer to the terms in determining income levels for the above-mentioned programs. In order to clarify any misunderstanding resulting from the differences in terms between the Public Housing/Section 8 Programs, CDBG, and F5 Programs, the following is provided for your information:

COMPARISON OF TERMS IN DETERMINING INCOME LEVELS			
F5	CDBG	SECTION 8	PERCENT OF MEDIAN
Extremely Low- Income	Extremely Low-Income	Extremely Low-Income	Equal to or less than 30%
Not Eligible	Low-Income	Very Low-Income	31% to 50%
Not Eligible	Moderate-Income	Low-Income	51% to 80%

**We Build Better Lives
& Better Neighborhoods**

Participating Agencies
January 6, 2014
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For all agencies utilizing CDBG-approved *Public Self-Certification Forms*, please be sure to incorporate these revised income guidelines into your forms immediately (*the Public Self-Certification Form does not apply to the F5 Program*).

Should you have any questions, please contact your Program Manager.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Stevenson". The signature is fluid and cursive, with a large loop at the end.

SCOTT STEVENSON, Director
Community Development Division

SS:AC:AM:vu
K:\CDBG COMMON\Special Projects\Bulletins\2013\2014 income guidelines.doc

ATTACHMENT 3
Notice of Public Hearing for the CDBG Program
for the 2014 – 2015 Fiscal Year



CITY OF BEVERLY HILLS

**NOTICE OF PUBLIC HEARING
FOR THE
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
FOR THE
2014-2015 FISCAL YEAR**

NOTICE IS HEREBY GIVEN that the City of Beverly Hills City Council shall hold a public hearing on Tuesday, January 21, 2014, at 7:00 p.m. in the City Council Chambers, 455 North Rexford Drive, Beverly Hills, CA 90210. The purpose of the hearing is to consider the City's Fiscal Year 2014-2015 Community Development Block Grant Program (CDBG) budget and to reallocate unexpended funding as required.

The City has been informed that its preliminary CDBG funding estimate for the 2014-2015 Fiscal Year allocation is approximately \$165,185. The City also has \$93,055.64 in unallocated CDBG funds currently available. These funds can be used for a variety of purposes, including property acquisition, public services, and housing rehabilitation. However, in order to use CDBG funds for any of these eligible activities, it must be shown that the activity will: 1) directly benefit low and/or moderate income persons; 2) help to eliminate slum and blight conditions; or 3) address an urgent need.

Not more than 15 percent of the 2014-2015 Fiscal Year allocation, or approximately \$24,777.75, can be allocated for public services. It is proposed that the 2014-15 CDBG funding continue to support the City's ongoing programs. The proposed funding is as follows: Handyworker Services – Single Family Units (\$125,642.89), Handyworker Services – Multi-Family Units (\$107,820), and the public service program Services For Seniors \$24,777.64.

All interested parties are invited to attend the public hearing for the use of the City's CDBG funds during the 2014-2015 fiscal year. Further information on the CDBG program may be obtained or viewed in the City of Beverly Hills Community Services Department, Human Services Division, 455 North Rexford Drive, Beverly Hills, California, 90210, or by contacting James R. Latta at (310) 285-2535, or Jlatta@beverlyhills.org.

Posted: January 7, 2014