



**MEMORANDUM**

Community Development Department

**DATE:** March 5, 2020

**TO:** Human Relations Commission

**FROM:** Orlando Reyes-Rodas, Senior Planner  
Tim Wong, Housing and Neighborhood Services Manager

**SUBJECT:** Review of Draft 2020-25 Consolidated Plan

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**REQUESTED ACTION**

1. Provide comment and make recommendations on the identified needs and goals of the Draft 2020-25 Consolidated Plan.
2. Recommend to the City Council adoption of the Draft 2020-25 Consolidated Plan.

**BACKGROUND**

**Purpose**

The purpose of this hearing is for the Human Relations Commission (HRC) to provide input on identified needs and proposed goals of the 2020-25 Consolidated Plan.

The HRC's recommendations will be presented to the Council on April 28, 2020, where final decisions on the 2020-25 Consolidated Plan and 2020-21 Community Development Block Grant (CDBG)/HOME budget will be made. The HRC will review the Assessment of Fair Housing (AFH) plan at its April 2, 2020 meeting. The funding decisions will be incorporated into the City's annual Action Plan that will be submitted, along with the adopted Consolidated Plan and AFH plan, to the United States Department of Housing and Urban Development (HUD) prior to HUD's May 15, 2020 submittal deadline.

**Public Hearings for the CDBG/HOME Funding Cycle**

Every year, the City receives and allocates Federal CDBG and HOME funds from HUD. The City allocates its CDBG and HOME funds to affordable housing and community

development projects and to public service programs that benefit low-income persons and areas.

To use the CDBG and HOME funds, the City must facilitate an application process and hold a minimum of two public hearings to approve use of the funds. To initiate the funding cycle, the City circulates an application to public service agencies, affordable housing developers, and other eligible groups. The HRC is holding the first hearing to hear agency presentations and make funding recommendations to the City Council. This year, only capital project applications will be considered as public service applications are on two-year cycles. The City Council will hold the second hearing to make final funding decisions.

On February 25, 2020, HUD released its CDBG and HOME allocations. The City will be receiving \$592,761 in CDBG funds and \$273,160 in HOME funds for Fiscal Year 2020-21.

### **Draft 2020-25 Consolidated Plan and 2020-21 Action Plan**

#### *Draft 2020-25 Consolidated Plan*

Every five years, HUD requires jurisdictions to prepare a Consolidated Plan stating goals and priorities for use of CDBG and HOME funds. The current Consolidated Plan will expire on June 30, 2020, so another is being prepared for the July 1, 2020 through June 30, 2025 period.

The City's Consolidated Plan, which consists of a needs assessment and a strategic plan, serves two purposes:

1. It sets policies for the expenditure of CDBG and HOME funds based on a community needs assessment. In order for an activity to receive CDBG or HOME funding, it must be referenced in the Consolidated Plan and address a need stated in the Consolidated Plan.
2. The goals in the Consolidated Plan are used by HUD to assess the City's achievements. The goals in the Consolidated Plan, therefore, need to be broad enough to allow for all desired projects to be funded. The goals also need to be achievable, given the limited CDBG and HOME budgets, and quantifiable so that the City can make good progress in carrying out projects to address the identified goals. If the goals are too narrow or unachievable, the City could be subject to a negative assessment from HUD.

Jurisdictions must seek input on community needs for developing goals and establishing funding priorities. On December 9, 2019, the City held a local community forum to gather input on local needs and held a second community forum for Spanish speakers on December 17, 2019 to seek additional community input.

In addition, the City collaborated with other jurisdictions in holding three Countywide regional forums to identify regional needs in September-November 2014. The City hired the firm Michael Baker International (MBI) to conduct the community and regional forums and to assist in drafting the Consolidated Plan, which will be available for public comment from March 13, 2020 through April 14, 2020.

#### Needs Assessment/Identified Needs

MBI uses HUD data and other data resources to prepare the Needs Assessment for the Consolidated Plan. The Needs Assessment detailed housing and nonhousing needs affecting various segments of the City's residents. Based on the Needs Assessment and community input, identified needs are listed below:

- The City has one of the larger homeless populations in the County, 606 persons, with 94 percent being in unsheltered conditions.
- Many City households are housing-cost burdened, especially the Low Moderate-Income (LMI) households, where over two-thirds of LMI households are housing-cost burdened.
- Elderly households were more likely to be LMI. Over half of elderly households in the City are LMI.
- Certain Black/African American and Asian American households experience a higher disproportion of housing problems. HUD defines housing problem as experiencing one of four identified housing conditions.
- Certain Hispanic and Asian American households experience severe housing problems. HUD defines severe housing problems as overcrowding and paying more than 50 percent of household income for housing costs.

Based on community input through the community forums and survey, the community identified the following needs:

- Creation of affordable housing was clearly the most identified need in the City community survey. Improving nonprofit community services was the second most identified need in the community survey.
- Emergency housing assistance to prevent homelessness, homeless services, and mental health services were the most highly identified public services in the community survey.
- Services for food programs for vulnerable populations, year-round activities for youth, health care for seniors, and homeless services are also commonly identified needs at the community forums.

A full analysis of the identified needs are found in the draft Consolidated Plan in the Needs Assessment section starting on Page 32 (Attachment 1).

*Question No. 1: Does the HRC agree with the identified needs as detailed through the Needs Assessment and from community input? Are there any additional needs the HRC would like to identify?*

#### Consolidated Plan Goals

Based on the identified needs, the draft Consolidated Plan goals proposed for the next five-year period, based on the data and input collected to date, are provided below:

1. Establish homeless prevention services and programs.
2. Respond to lack of housing for the homeless.
3. Increase affordable housing.
4. Provide programs for youth and families.
5. Support special-needs populations.
6. Create sustainable jobs and increase earning capacity.
7. Improve community and public facilities.
8. Address and promote fair housing.

Comments received during this hearing will be used to refine the proposed Consolidated Plan goals and priorities. All comments received during the review and comment period will be incorporated into the draft Consolidated Plan and discussed in the report to Council for the April 28, 2020 public hearing.

The proposed goals in the draft Consolidated Plan focus on addressing the needs of lower-income households and would concentrate the bulk of CDBG and HOME funds on programs and activities where the need is the greatest, targeting extremely low- and very low-income households. The goals present a mixture of housing and community development activities with housing and homeless activities listed as the top two priorities. All future funding recommendations must be consistent with the goals of the Consolidated Plan.

***Question No. 2: Does the HRC agree with the proposed Consolidated Plan goals? Are there any additional goals the HRC would like to add?***

#### *Draft Assessment of Fair Housing*

As part of the Consolidated Plan, staff is also preparing an AFH plan. The AFH is a thorough examination of structural barriers to fair housing choice and access to opportunity for members of historically marginalized groups protected from discrimination by the Federal Fair Housing Act (FHA). The AFH also outlines fair-housing priorities and goals to overcome fair-housing issues. In addition, the AFH lays out meaningful strategies that can be implemented to achieve progress toward the City's obligation to affirmatively further fair housing. As with the Consolidated Plan, the City collaboratively worked with other jurisdictions in the County to prepare the AFH. The Lawyers' Committee for Civil Rights Under Law (Lawyers' Committee) was selected as the consultant to do the outreach and prepare the AFH. The AFH will be presented to the HRC at its next meeting on April 2, 2020.

#### *Draft 2020-21 Action Plan*

Because Fiscal Year 2020-21 would be the first year of the five-year Consolidated Plan cycle, the Draft 2020-25 Consolidated Plan also contains the Fiscal Year 2020-21 Action Plan. The Fiscal Year 2020-21 Action Plan contains the proposed budget and will include the Council-approved programs and activities from this funding cycle. All of the CDBG and HOME funding proposals meet Draft 2020-25 Consolidated Plan goals. The Annual Action Plan will be prepared after the funding recommendations have been determined by the HRC. As with the Consolidated Plan, the Annual Action Plan will be available for public review from March 13, 2020 to April 14, 2020.

Both the Consolidated Plan and Action Plan must be submitted to HUD by May 15, 2020. As in subsequent years of the Consolidated Plan cycle, the Action Plan will be submitted as a separate document to HUD after Council makes their final funding decisions.

### **Program and Project Monitoring**

After HUD approves the City's Action Plan, the City funds the programs and activities based on their completion throughout the fiscal year. The CDBG and HOME programs are both governed by complex rules and regulations requiring City compliance in order to receive and distribute the funding. Jurisdictions receiving CDBG and HOME funds must carefully monitor the performance of funded agencies and organizations to document compliance with HUD's fiscal- and program-related guidelines. The monitoring consists of site visits and review of audit, program, and project files for underway and completed projects. Cities must also prepare an annual performance report called a Consolidated Annual Performance and Evaluation Report (CAPER) at the end of every fiscal year. The report is due to HUD by September 30, 2020 and contains the number of clients served, units produced, and other program and project outcomes. The City annually collects this information from the funded agencies to ensure that the funds are used for the intended purposes stated in the funding applications.

### **CONCLUSION**

Staff is requesting that the HRC provide comment and make recommendations on the identified needs and Consolidated Plan goals and to recommend the adoption of the Draft 2020-25 Consolidated Plan.

To assist the HRC in its deliberations, staff has posed the following two questions for HRC consideration:

*Question No. 1: Does the HRC agree with the identified needs as detailed through the Needs Assessment and from community input? Are there any additional needs the HRC would like to identify?*

*Question No. 2: Does the HRC agree with the proposed Consolidated Plan goals? Are there any additional goals the HRC would like to add?*

The HRC's comments and recommendation will be presented to the City Council on April, 28, 2020, which will make final funding decisions and adopt the Consolidated Plan. The City Council's funding decisions will then be incorporated into the 2020-25

Consolidated Plan/2020-21 Action Plan that will be submitted to HUD prior to HUD's May 15, 2020 submittal deadline.

~~ORR-TW/5/CDD~~

~~842-03-05-20M~~

Attachment: 1. Draft 2020-25 City of Mountain View Consolidated Plan (Received via E-mail)