



NEWPORT BEACH

City Council Staff Report

September 10, 2019
Agenda Item No. 21

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Community Development Block Grant Program Year 2018-19, Consolidated Annual Performance and Evaluation Report

ABSTRACT:

The U.S. Department of Housing and Urban Development (“HUD”) requires the City of Newport Beach (“City”) to prepare and submit a Consolidated Annual Performance and Evaluation Report (“CAPER”) to describe the City and its subrecipients’ progress in meeting the goals established in the Program Year 2018-19 Action Plan that was approved by the City Council on June 12, 2018. This report must be submitted to HUD on or before September 28, 2019. The Program Year 2018-19 CAPER was prepared and made available for the HUD-required 15-day public review and comment period, which began on August 26, 2019, and concludes with the public hearing before the City Council on September 10, 2019.

RECOMMENDATION:

- a) Hold a public hearing to receive comments on the Program Year 2018-19 CAPER;
- b) Find this activity exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly;
- c) Approve the Program Year 2018-19 CAPER; and
- d) Authorize the City Manager or her designee to submit the Program Year 2018-19 CAPER to HUD.

FUNDING REQUIREMENTS:

There is no fiscal impact related to this item.

DISCUSSION:

On August 24, 2019, the City published a notice in the Daily Pilot informing the general public that the Draft 2018-19 CAPER (Attachment A) would be available for review and comment from August 26, 2019 to September 10, 2019. The public was informed of the opportunity to provide oral and/or written comments on the CAPER. To date, no public comments have been received. Additionally, the CDBG Citizen Participation Plan requires that a public hearing is held to receive comments from interested parties regarding the CAPER. This public hearing addresses the CDBG citizen participation requirement.

The 2018-19 CDBG allocation from HUD was \$358,444; together with \$9,174 of unallocated CDBG funds from prior years and \$3,067 of Program Income, totaled \$370,685 for program year 2018-19. The table below shows the annual CDBG budget and expenditures.

<i>FY 2018-2019 Program Categories</i>	<i>Budget</i>	<i>Expenditures</i>
Public Service Activities	\$ 53,766	\$ 52,158.04
Capital Improvement Project		
<i>Section 108 Loan Repayment</i>	\$177,561	\$177,560.90
<i>Public Facilities - TBD</i>	\$67,669	\$0
Program Administration & Fair Housing	\$ 71,689	\$71,688.80
Total	\$370,685	\$301,407.74

The accomplishments for this year include, but are not limited to, a senior mobile meals program serving 101 residents, a homelessness prevention program serving 343 residents, fair housing services for 102 residents, special needs substance abuse recovery services serving 5 residents, and scheduled debt service payments on the Section 108 loan that funded prior public improvements in Balboa Village. A more detailed explanation of accomplishments can be found in the attached draft 2018-19 CAPER.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find approval of the Agreement is not subject to the California Environmental Quality Act (“CEQA”) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

In accordance with HUD requirements for a 15-day public review and comment period, notice of the public hearing was published in the Daily Pilot on August 24, 2019. Further, the agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENT:

Attachment A – Draft Consolidated Annual Performance and Evaluation Report (CAPER)
for the 2018-19 Program Year