



Legislation Text

File #: 18-429, **Version:** 1

Report Prepared by: Mark E. Hamilton, Housing Program Supervisor, Housing Division, Department of Development Services

SUBJECT: Allocation of Fiscal Year 2018/19 Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) to Fund Sub-Recipient Agreements with Restore Merced for Neighborhood Clean-Up Program (\$60,000), Sierra Saving Grace for the Homeless Project (\$465,000), Merced Rescue Mission for the Hope for Families Project Program (\$250,000) and County of Merced for the Continuum of Care Program; and First Technical Amendment to the 2018 Department of Housing and Urban Development Annual Action Plan

REPORT IN BRIEF

Authorizes execution of Community Development Block Grant and HOME Investment Partnership Program Sub-Grantee Agreements with Restore Merced for Neighborhood Clean-Up Program in the amount of \$60,000, Sierra Saving Grace for the Homeless Project in the amount of \$465,000, Merced Rescue Mission for the Hope for Families Project Program in the amount of \$250,000 and Continuum of Care Program in the amount of \$38,000.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving agreements identified in the 2018 Department of Housing and Urban Development (HUD) Annual Plan with Community Development Block Grant (CDBG) funds from the 2018/19 Fiscal Year (Accounts 018-1301-552-17.00 / Professional Services, 018-1301-552-29.00 / Supplies and Services, and 033-1349-552-29.00 / Supplies and Services, per previous City Council recommendation for:

1. An agreement with Restore Merced for Neighborhood Clean-Up Program in the amount of \$60,000; and,
2. An agreement with Sierra Saving Grace for the Homeless Project in the amount of \$465,000; and,
3. An agreement with Merced Rescue Mission for the Hope for Families Project Program in the amount of \$250,000; and,
4. An agreement with County of Merced for the Continuum of Care Program in the amount of \$38,000; and,

B. Authorizing the City Manager or Assistant City Manager to execute, and if necessary, make minor modifications to the agreements described above as attached to this report and all associated

documents; and,

C. Authorizing the Finance Officer to make necessary budget adjustments.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to conditions other than recommended by staff; or,
3. Deny; or,
4. Refer to the City Staff for reconsideration of specific items (specific items to be addressed in the motion); or,
5. Continue to a future meeting (date and time to be specified in the motion).

AUTHORITY

Section 200 of the City of Merced Charter, City of Merced 2018 HUD Annual Plan and Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning CDBG including Subpart K of these regulations).

CITY COUNCIL PRIORITIES

As approved by City Council June 18, 2018, and budgeted for in the Fiscal Year 2018-19 Adopted Budget.

DISCUSSION

Staff is requesting Council consider approving four (4) agreements with sub-recipients to carry out acquisition of permanent supportive housing units, neighborhood cleanup program, and Continuum of Care activities within the community. These agreements are funded by a combination of Community Development Block Grant and HOME Investment Partnership Program. Staff will work with the sub-recipients to ensure the activities are carried out per the Housing and Urban Development (HUD) program guidelines.

The 2018 HUD Annual Action Plan identified and budgeted all of these activities, which meet basic HUD eligibility. Staff has worked with these sub-recipients to ensure they have sufficient time to complete the activities and provide the City with progress reports. The sub-recipients' services will be reimbursed upon submittal of an invoice and report describing their accomplishments.

Restore Merced is a community development effort focused on creating opportunities for low-moderate income residents in Merced, CA to experience spiritual, social, and economic flourishing. The organization focuses on three primary areas of focus for community transformation - neighborhood engagement, economic development, and volunteer mobilization. In all of its programming, Restore Merced's goal is to see the City of Merced transformed and become a place where all residents know they are valued and believe they have something to offer to make the City a better place for all to live.

With the CDBG funding from the City, Restore Merced will be providing weekly neighborhood clean-up projects in downtown, and along Bear Creek and Black Rascal Creek. The clean-up projects will provide work experience for individuals who have been formerly homeless, incarcerated, and in recovery from addiction. This work will beautify our public spaces in ways that instill a sense of pride

and ownership in all residents and be a stepping stone into meaningful employment opportunities for individuals in the community who have been previously excluded from them as they seek self-sufficiency and stability.

Sierra Saving Grace Homeless Project (SSG) is a non-profit whose mission is to provide an inter-faith and community-based safety net for chronically homeless individuals and families who are either underserved or not served by existing programs and services. SSG promotes a housing first approach to solving homelessness through the provision of intensive case management, advocacy, and services in recognition of the inherent worth and dignity of all persons.

With CDBG and HOME funding from the City, Sierra Saving Grace will be able to acquire multiple single family properties for their Homeless Project. The acquisition of these properties will allow SSG to provide with an affordable payment for the non-profit, and in turn we can offer affordable housing to those experiencing homelessness. The average person who is served by SSG, has a Social Security income of about \$900. These persons are not able to find affordable housing so they become homeless. Units are hard to find in this housing climate and landlords continue to increase their rents, in fact we have come across a landlord asking \$700 per month for a studio apartment. The units purchased with the CDBG funds help us to combat these issues.

The Merced Rescue Mission is a nonprofit organization whose mission is to provide hope and serve people who are homeless and needy in Merced County. In our efforts to accomplish this mission the Merced Rescue Mission provides food and multiple levels of housing which include shelter, transitional and permanent supportive housing. We provide service coordination and navigation for our participants to empower them to achieve personalized goals which will lead to stability and productivity in their lives. We are able to provide these services through donations and grants that underwrite our operations.

With CDBG funding from the City, the Merced Rescue Mission will secure a single-family property which will provide permanent supportive housing for homeless families with young children. The acquisition of the property will allow them to assist with providing housing to income eligible households for a greatly reduced amount.

The Collaborative Applicant is the business entity of the Merced City and County Continuum of Care. The Collaborative Applicant is responsible for ensuring the Continuum of Care (CoC) is implemented. The Continuum of Care is a group of government agencies and nonprofit organizations that work to prevent and reduce homelessness.

With the CDBG funding from the City of Merced, The Collaborative Applicant (Merced County) will be able to provide services in the following ways:

1. Provide administrative support to the Merced City and County Continuum of Care board and general membership, by developing monthly meeting agendas and producing and posting public minutes of all meeting.
2. Collecting monthly grantee reports for Merced City and County Continuum of Care board in order to provide grant status review.
3. Attend committee meetings and provide support as related to the CoC and governance structure.

4. Monitor grantees during grant periods, report information back to the board of any findings and provide technical support to grantees in order to maintain compliance.
5. Ensure the CoC and all grantees are in compliance with all HUD and ESG federal and state regulations regarding homelessness programs and or projects.
6. Apply for HUD notice of funding through consolidated application process, apply for the federal and state ESG funds, and research any other funding opportunities that will reside as the CoC responsibility.
7. Administer community meetings to collaborate and develop a county wide plan to address homelessness.

Upon receipt of progress reports and conclusion of the activity, the information will be included in the City's Consolidated Annual Performance and Evaluation Report (CAPER). The CAPER is a report HUD requires each participating jurisdiction to complete and submit at the conclusion of the previous fiscal year outlining the accomplishments of each activity.

IMPACT ON CITY RESOURCES

These agreements do not require expenditures from the General Fund. Funding used for these agreements will be from Accounts 018-1301-552-17.00 / Professional Services; 018-1301-552-29.00 / Supplies and Services; and, 033-1349-552-29.00 / Supplies and Services.

ATTACHMENTS

1. Agreement with Restore Merced for Neighborhood Cleanup
2. Agreement with Sierra Saving Grace - Acquisition of Property
3. Agreement with Merced Rescue Mission - Acquisition of a Property
4. Agreement with County of Merced for Continuum of Care Services