



CITY OF POMONA COUNCIL REPORT

February 3, 2020

To: Honorable Mayor and Members of the City Council

From: James Makshanoff, City Manager

Submitted By: Benita DeFrank, Neighborhood Services Director

SUBJECT: Public Hearing Amending the Consolidated Plan, the Fiscal Year (FY) 2019-2020 Annual Action Plan and the FY 2019-2020 City Operating Budget by Re-appropriating Budgeted Funds and Appropriating Additional Community Development Block Grant (CDBG) Funds, HOME Investment Partnerships Program (HOME) Funds and Emergency Solutions Grant (ESG) Funds

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Conduct a public hearing to receive public comment on the proposed amendments to the Consolidated Plan and the fiscal year 2019-2020 Annual Action Plan.
2. Adopt the following resolution:

RESOLUTION NO. 2020-13 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA, CALIFORNIA, AMENDING THE CONSOLIDATED PLAN, THE FISCAL YEAR (FY) 2019-2020 ANNUAL ACTION PLAN AND THE FY 2019-2020 CITY OPERATING BUDGET BY RE-APPROPRIATING BUDGETED FUNDS AND APPROPRIATING ADDITIONAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS, HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) FUNDS AND EMERGENCY SOLUTIONS GRANT (ESG) FUNDS.

EXECUTIVE SUMMARY:

Annually, the Housing Services Division administers and implements over 15 different grants, totaling over \$30 million in program funds. As FY 2018-2019 came to a close, staff identified unexpended funds budgeted for various activities in FY 2018-2019 which must be appropriated in FY 2019-2020 for expenditure authority. These funds come from projects that were either underway at the time the fiscal year ended and need to be brought forward to complete the projects, or programs that had funding that was not fully expended during the previous fiscal year. Additionally, some funding currently appropriated in the FY 2019-2020 Operated Budget will be re-appropriated to eligible activities to ensure timely expenditure of funds. The City may amend its

FY 2019-2020 Consolidated Plan and FY 2019-2020 Annual Action Plan by holding a public hearing giving citizens the opportunity to comment on proposed budget changes.

FISCAL IMPACT: This action involves re-appropriating \$700,000 in FY 2019-2020 budgeted funds and carrying forward unexpended appropriations from FY 2018-2019 for various grant funds in the amount of \$198,707 to the FY 2019-2020 Operating Budget, which will amend FY 2019-2020 revenue estimates and appropriations by the same amounts. Please reference Attachment 2 – CDBG Funding Available to Appropriate for a detailed listing of CDBG activities with unexpended grant funds to be carried forward to FY 2019-2020.

PUBLIC NOTICING REQUIREMENTS: – No public notice is required as this action does not constitute a substantial amendment to the Consolidated Plan or Annual Action Plan per the U.S. Department of Housing and Urban Development (HUD) approved guidelines.

DISCUSSION:

The City of Pomona currently receives the following entitlement funds from HUD: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME) and Emergency Solutions Grant (ESG) funds. The City is required to have a Five-Year Consolidated Plan and an Annual Action Plan. The Consolidated Plan identifies community development and housing needs and provides an outline of goals and objectives to meet those needs. The Annual Action Plan details what activities the City will undertake and the amount of funding to be expended on the activities during the current fiscal year. In this case, FY 2018-2019 which at the close of the fiscal year had unexpended funds. These unexpended funds will be used during FY 2019-2020 for programs and activities that are eligible under funding sources currently administered by the City.

Based on the requested re-appropriation of FY 2019-2020 budgeted funds and appropriation of unexpended funds from FY 2018-2019 fund balances (unaudited), the amendments to the Consolidated Plan, the FY 2019-2020 Annual Action Plan and the FY 2019-2020 City Operating Budget are as follows:

| | Current FY 2019-20 Revenue Estimate & Appropriation | Revised FY 2019-20 Revenue Est. & Re-Approp. |
|---|--|---|
| <u>HOME Funds</u> | | |
| Single-Family Housing Rehabilitation (214-1793-XXXXX-41903) | \$ 700,000 | \$ 0 |
| First-Time Homebuyer Program (214-1793-XXXXX-41902) | 0 | \$ 700,000 |
| TOTAL | \$ 700,000 | \$ 700,000 |

| | <u>Revised FY 2019-20 Revenue Estimate</u> | <u>Requested FY 2019-20 Appropriation</u> |
|---|--|---|
| <u>CDBG Funds</u> | | |
| Housing Services (213-1791-XXXXX-65203) | \$ 99,360 | \$ 99,360 |
| <u>HOME Program Income Funds</u> | | |
| First-Time Homebuyer Program (214-1793- XXXXX -41902) | \$ 41,143 | \$ 41,143 |
| Home Program Administration (214-1793- XXXXX -41901) | <u>4,571</u> | <u>4,571</u> |
| TOTAL | \$ 45,714 | \$ 45,714 |
| <u>ESG Funds</u> | | |
| HMIS (212-1791-XXXXX-63206) | \$ 53,633 | \$ 53,633 |

Prepared by:

Beverly Johnson
Housing Services Manager

ATTACHMENT(S):

Attachment 1 – Resolution No. 2020-13
Attachment 2 – CDBG Funds Available to Appropriate