



CITY COUNCIL AGENDA REPORT

MEETING DATE: May 4, 2010

ITEM NUMBER:

SUBJECT: PUBLIC HEARING FOR THE 2010-2014 CONSOLIDATED PLAN

DATE: APRIL 22, 2010

FROM: CITY MANAGER'S OFFICE / HOUSING AND COMMUNITY DEVELOPMENT

PRESENTATION BY: MIKE LINARES CDBG/HOME COORDINATOR

FOR FURTHER INFORMATION CONTACT: MIKE LINARES AT (714) 754-5678

RECOMMENDATION

That the City Council:

1. Hold a public hearing to obtain additional public input regarding the 2010-2014 Consolidated Plan.
2. Approve the 2010-2014 Consolidated Plan.
3. Approve a Resolution authorizing submission of the 2010-2014 Consolidated Plan to the U.S. Department of Housing and Urban Development (HUD) and authorizing the City Manager to act as the official representative of the City in order to submit the 2010-2014 Consolidated Plan to HUD and to take necessary actions in connection with the administration and implementation of the 2010-2014 Consolidated Plan.

BACKGROUND

The City of Costa Mesa is recipient of Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) funds from the U.S. Department of Housing and Urban Development (HUD). In order to receive these funds, the City is required to prepare a five-year strategic plan known as the Consolidated Plan. Fiscal Year 2009-2010 is the final year of the current Consolidated Plan. A new Consolidated Plan covering Fiscal Years 2010-2011 through 2014-2015 must be prepared and submitted to HUD by May 15, 2010.

The Consolidated Plan is comprised of four primary sections: a housing needs assessment, a housing market analysis, the strategic plan and an annual action plan. The annual action plan will be updated each year over the next five-year period. Data used to prepare the Consolidated Plan came from various sources including the U.S. Census Bureau, the State of California, County of Orange, and various nonprofit and educational institutions. Additionally, the City's recently updated Housing Element was utilized to identify housing resources and policies. The City's existing Capital Improvement Plan was also used to identify public improvement projects that may be eligible for CDBG funding over the next five-year period.

To a large extent, the 2010-2014 Consolidated Plan continues to implement the strategies and programs from the current Consolidated Plan since the programs and policies that guide the use of the CDBG and HOME grants have already been reviewed and approved by the City Council. The 2010-2014 Consolidated Plan does identify two new housing programs as part of the strategy to address housing needs – the Tool Rental and Energy Grant programs. Also identified in the document is the potential development of a senior rental project.

HUD requires that the City hold a 30-day public review period prior to the submission of the document. Additionally the City is required to hold a public hearing prior to submitting the document to HUD. A notice was published in the *Newport-Mesa Daily Pilot* on April 2, 2010 announcing the 30-day period and the May 4, 2010 public hearing.

Attachment B of this staff report is the draft 2010-2014 Consolidated Plan. Please note that the 2010-2011 Annual Action Plan (pages 109 through 182) has been removed from the attached draft Consolidated Plan. The Annual Action Plan will be considered by the Council under a separate City Council Agenda Report; however, the entire draft 2010-2014 Consolidated Plan is posted on the City's web site - <http://www.ci.costa-mesa.ca.us/departments/CMHousingCommunityDev.htm>.

ANALYSIS

As a recipient of CDBG and HOME funds from HUD, the City is required to prepare and submit a strategic plan known as the Consolidated Plan at least every five years. The City is currently in the final year of the 2005-2009 Consolidated Plan; therefore a new plan must be prepared and submitted to HUD no later than May 15, 2010. The draft 2010-2014 Consolidated Plan has been prepared in compliance with federal regulations and has been developed to support the continuation of most existing housing and community improvement activities.

Upon completion of the public hearing and receiving Council authorization to submit the document to HUD, program Staff will finalize the document and ensure it is delivered to HUD no later than May 15, 2010.

ALTERNATIVES CONSIDERED

Two alternatives are presented for City Council consideration with respect to funding recommendations:

1. The City Council can direct Staff not to submit the Consolidated Plan, in which case the City would be out of compliance with federal regulations and would be ineligible to receive CDBG and HOME funds. Failure to obtain CDBG or HOME grant funds could jeopardize the financial feasibility of certain capital and housing projects/programs.
2. The City Council could delay the submission of the Consolidated Plan. Such an action would delay the release of the City's grant funds by HUD, which could also have an impact on the financial feasibility of certain capital and housing projects/programs.

FISCAL REVIEW

There is no fiscal impact to the City's general fund.

LEGAL REVIEW

There is no legal impact connected with this action.

CONCLUSION

It is recommended that the City Council:

1. Hold a public hearing to obtain additional public input regarding the 2010-2014 Consolidated Plan.
2. Approve the 2010-2014 Consolidated Plan.
3. Approve a Resolution authorizing submission of the 2010-2014 Consolidated Plan to the U.S. Department of Housing and Urban Development and authorizing the City Manager to act as the official representative of the City in order to submit the 2010-2014 Consolidated Plan to HUD, and to take necessary actions in connection with the administration and implementation of the 2010-2014 Consolidated Plan.

Allan L. Roeder
City Manager

Muriel Ullman
Neighborhood Improvement Manager

Mike Linares
CDBG/HOME Coordinator

Attachments: A. [Resolution](#)
 B. [Draft 2010-2014 City of Costa Mesa Consolidated Plan](#)