



CITY OF SAN MATEO

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Agenda Report

Agenda Number: 8

Section Name: {{section.name}}

Account Number: 10-1511

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TO: Community Relations Commission
FROM: Christina Horrisberger, Director
PREPARED BY: Community Development Department
MEETING DATE: May 1, 2023

SUBJECT:

Community Development Block Grant Draft 2023-27 Consolidated Plan and Draft 2023-24 Annual Action Plan – Approval and Adoption

RECOMMENDATION:

Approve and adopt the 2023-27 Consolidated Plan and 2023-24 Annual Action Plan and authorize submittal of both plans to the Department of Housing and Urban Development (HUD).

BACKGROUND:

The Community Development Block Grant (CDBG) Program provides flexible funding for community development projects and programs to assist individuals and families from extremely low- to moderate-income households as defined by the Department of Housing and Urban Development (HUD). The City receives an entitlement grant based on a national formula and has participated in this program since 1977.

The City also received an entitlement amount of HOME funds from 1994 to 2015 that was used to assist housing programs and projects for very low-income households. In 2016, the City joined a consortium with the County of San Mateo and the City of South San Francisco to collectively pool their HOME funds to provide more efficiency and timeliness in expending those funds. The City still collects loan payments from loans made prior to 2015 and must re-program those funds into HOME-eligible projects.

2023-27 Consolidated Plan

For the next five HUD program years, 2023-27, the Consolidated Plan will include a summary of the City's CDBG-related needs, priorities, and long-term programs and projects to address community development, housing and homelessness, and public services for lower income households. These were determined based on input from the community, the growing trends and gaps in services that funding from the CDBG program could help to fill, and feedback received based on the findings of the community outreach efforts during a public hearing on March 15, 2023.

2023-24 Annual Action Plan

The Annual Action Plan outlines the City's budget for the coming program year with details of the programs and projects that will be undertaken to address the needs identified in the Consolidated Plan. The CDBG entitlement grant will be \$778,943 for the 2023-24 program year. The following budget was drawn based upon this amount and may be adjusted slightly if HUD were to revise its grant amount. The remaining funds for the budget will come from program income and prior year resources. The annual plan also includes programs to address affordable housing and other community needs. The major CDBG activities are:

- Administration – a maximum of 20% of the CDBG grant is eligible for administrative costs. The fair housing grant of \$25,000 is included in the administration budget.

- Community Funding – the cap for public services is 15% of the grant and prior year program income. The Community Resources Commission identified nine non-profit agencies for provision of public services to meet priority needs during a 2022 CRC meeting, providing agencies with two-year agreements.
- Economic Development – the City will fund one grant for \$25,000 for microenterprises assistance.
- Minor Home Repair – the City will fund three providers for home repair, energy upgrades, and accessibility modifications to eligible households.
- Street Improvement Project – the Department of Public Works will manage this project, prioritizing bicycle and pedestrian improvements located in the CDBG Priority Target Area consisting of the North Shoreview and North Central neighborhoods.

The 2023-27 Consolidated Plan and 2023-24 Annual Plan was recommended for approval by the Community Relations Commission during a public meeting on April 19, 2023.

NEXT STEPS:

The draft plans were released on the City's website for a 30-day public review period beginning on March 31, 2023 until May 1, 2023. After Council approval, the 2023-2027 Consolidated Plan and the 2023 Annual Action Plan will be submitted to HUD by the May 15, 2023 statutory deadline.

BUDGET IMPACT:

The 2023-24 CDBG Annual Action Plan budget does not have an impact to the General Fund because the funds are provided by HUD. The following CDBG budget is in the 2023-24 Annual Action Plan, as well as incorporated into the City budget.

CDBG Revenues	CDBG	CDBG Expenditures	CDBG
Entitlement	778,943	Administration	105,000
		Community Funding	116,100
Program Income	4,000	Economic Development	25,000
Prior Year Carryover	25,652	Minor Home Repair	105,000
		Street Improvement	457,495
TOTAL Revenues	808,595	TOTAL Expenditures	808,595

ENVIRONMENTAL DETERMINATION:

Approval and adoption of the 2023 - 27 Consolidated Plan and 2023-24 Annual Action Plan is not a project subject to CEQA, because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. (CEQA Guidelines Section 15378(b)(5).)

NOTICE PROVIDED:

All meeting noticing requirements were met. The meeting was noticed in accordance with the City's current Community Participation Plan. This includes publication in the San Mateo Daily Journal, email distribution to interested parties, flyer distribution to community organizations, and posting on the City website.

ATTACHMENTS

Att 1 – Draft 2023-2027 Consolidated Plan and Draft 2023-2024 Annual Plan

STAFF CONTACT

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