



## Legislation Text

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### **FISCAL YEAR 2017-18 COMMUNITY DEVELOPMENT ADVISORY COMMITTEE (CDAC) UPDATES AND COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING PRIORITIES**

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### **Purpose and Recommended Action**

The Community Services Department will present this Council Item of Special Interest (CIOSI) item at the August 16th Workshop as requested by Councilmember Aldama during the March 1, 2016 Workshop. This will be in conjunction with two other key update items of the Community Development Advisory Committee (FY 17-18 CDBG priority funding areas; the use of Housing Assistance Program Project-Based Vouchers as a financial tool for Centerline development/re-development).

At its annual summer retreat on July 9, 2016, the Community Development Advisory Committee (CDAC) voted unanimously to recommend the following items to City Council:

- The use of federal U.S. Department of Housing and Urban Development (HUD) Project Based Vouchers to incent the development of new affordable and mixed-use housing in the Glendale Centerline;
- The implementation of new initiatives to better address homelessness in Glendale; and
- Funding priorities for the FY 2017-18 Community Development Block Grant (CDBG) process.

The purpose of this item is to provide the Council with a briefing of these recommendations and to seek further direction.

### **Background**

The CDAC helps review and recommend programs and services regarding the use of federal HUD funds to address Glendale-based human and social service issues. It consists of 15 members who represent a broad cross section of Glendale, such as non-profits, schools, businesses, neighborhood leaders, and various service providers. The Committee is very diligent in its review of all funding requests (through the annual CDBG process) and also invests considerable time and effort through studying various strategies and actions to better serve the human service needs of Glendale residents.

At its August 2015 summer retreat, the CDAC indicated its interest in examining possible methods to use federal funds received by the Community Housing Division for the redevelopment of the City's Public Housing Program through the "Residential Assistance Demolition" (RAD) program; and provided staff direction to

explore new initiatives to better serve homeless individuals in Glendale.

Over the past year, staff researched these two concepts and shared detailed information on its findings to the members of the CDAC at its July 9, 2016 summer retreat. In addition, the CDAC also reviewed the City's CDBG funding priorities.

### **Analysis**

As a result of this effort, the CDAC unanimously voted to recommend the following to Council:

1. Project Based Vouchers for Development/Re-Development - The City of Glendale administers 1,054 Section 8 Housing Choice Vouchers, providing rental subsidies to eligible Glendale families, averaging \$7.7 million paid to Glendale landlords. The Glendale Section 8 Housing Choice Voucher program assists an average of 2,800 low and very low income persons per year, to reside in safe and affordable housing.

Under HUD rules, housing authorities are able to use up to 20 percent of the allotted budget authority for Section 8 Housing Choice Voucher (HCV) program for "project-based vouchers." These vouchers are primarily used to provide federal funding to developers/property owners of multi-family housing, and to provide subsidized rent for eligible families for the length of a contract/development agreement for up to a 15-year period. Federal funding for Section 8 rental subsidy varies annually, based on U.S. Congressional budget allotment, and a "pro-ration" of funds nationwide. On average, this would equate to approximately \$1.5 million annually, which could be used to incent future Centerline development and or redevelopment with rental assistance under contracts up to 15 years.

In order to utilize project-based vouchers in Glendale and use up to 20 percent of the Section 8 HCV federal budget authority, the City of Glendale Section 8 Administrative Plan must be modified to include additional federal policy requirements. If this concept is approved by the Council, this will be accomplished during the annual update and review process for the Annual PHA Plan, submittal to HUD in April 2017. The target effective date, if approved by HUD, is July 1, 2017. Once this occurs, the City would have a new economic development tool to further Centerline development and re-development at no cost to the City's General Fund.

2. Additional Homeless Prevention Strategies - In the spring of 2016, the City of Glendale's Community Services Department conducted an assessment of the homeless population in Glendale, local homeless assistance programs offered, and internal process and procedures. This assessment included interviews with the Glendale Police and Fire Departments, City Court, Community Revitalization, Community Action Program, Community Housing, Parks and Recreation, and Code Compliance. Staff also interviewed external stakeholders including the Glendale Elementary School District, Glendale Union High School District, Glendale Chamber of Commerce, ASU's Morrison Institute, nonprofits such as Tumbleweed and Valley of the Sun United Way, and NEIGHBOR Alliance, a local faith-based organization. Finally, staff collected survey responses from the Glendale business community, faith-based community and local nonprofits to get a better understanding of how these organizations interact with, and at times assist, homeless persons in Glendale.

After an evaluation of departmental processes regarding homelessness, as well as the relationship

between city departments and external stakeholders, it was determined that there are limitations in the current city processes regarding homeless persons. While the City currently offers homeless intervention and prevention assistance, processes can be streamlined to better serve homeless persons. In response, the following recommendations are suggested to improve Glendale's internal homeless processes, relationships with external partners, and serve homeless persons.

- a) Assign one dedicated FTE within the Community Services Department to become the city's Homeless Liaison. This person would have a thorough understanding of homeless assistance services and would serve as a point of contact for both internal departments as well as external organizations.
- b) Identify department leaders who will prioritize addressing homelessness within the department and encourage cooperation with other city departments. These leaders will be knowledgeable of homeless resources and processes for each department.
- c) Improve communication efforts between internal departments, external organizations and community members. Currently, there is a lack of easily accessible information regarding homeless resources.
- d) Data regarding homeless interactions should be collected, tracked and shared city-wide. Currently, departments track homeless interactions very differently, which makes it difficult to evaluate trends in homeless interactions, outreach efforts, subpopulations of homeless persons in Glendale, the costs incurred due to homeless interactions, etc. By determining data points that would be beneficial to track across departments and establishing an internal database to share confidential data across departments, the City will have a better understanding of homeless needs and what homeless assistance services are needed.
- e) Reevaluate and clarify enforcement capabilities of the Police Department, Park Rangers and Code Compliance. Currently the City has various ordinances and codes to keep Glendale safe and clean for citizens. It is recommended that the City reevaluate and determine if additional city ordinances are needed to keep parks and other public spaces safe and clean.

These recommendations focus on immediate solutions and do not introduce new homeless assistance programs at this time. However, once the recommendations are implemented, Glendale will have a better understanding of the types of homeless services that are needed, and can begin to work with external partners to determine additional phases to address homelessness.

- 3. FY 17-18 CDBG Funding Priorities - CDBG funds are federal funds provided to "entitlement cities" (any city over 50,000 in population) to meet community need in a wide variety of areas. Annually, the City of Glendale receives approximately \$2.3 million from HUD to address critical community needs. These include the Community Development Block Grant (CDBG), the HOME Investment Partnerships (HOME) program, and the Emergency Solutions Grants (ESG) program. The FY 2016-17 funds currently total over \$2,904,659 and must be used for community development activities that provide quality housing and expand economic opportunities, primarily for low-to moderate income citizens or low-to-moderate income areas within our community.

In order to receive these funds, entitlement communities are required to undertake a public process to

solicit public input and formulate the city's Five-Year Consolidated Plan and Annual Action Plan. This is a community-based strategic plan identifying housing and community development priorities, goals, and strategies. In August of 2015, Mayor and Council provided the CDAC chair with direction on funding priorities based on the following:

- Keeping people in their homes
- Assisting with core needs such as food, utilities and shelter
- Supporting home delivery of meals and shelter services programs
- Providing emergency home repair
- Housing rehabilitation programs
- Demolishing and clearing blighted structures
- Emphasizing revitalization of Centerline/Redevelopment Area

The members of the CDAC are in unanimous support of using these same funding priorities for the FY 17-18 CDBG funding process. However, they also propose adding the following objective:

- Funding of workforce development programs

### **Community Benefit/Public Involvement**

The continued revitalization of the Centerline area, addressing homelessness and the funding of annual CDBG priorities have been stated objectives of the Glendale City Council. As such, they have been openly discussed at numerous citizen meetings, Council workshops and formally acted on at formal Council evening meetings. As these funds are specifically marked to address very low, low and low-moderate income persons and redevelopment, federal rules and regulations require extensive public outreach and hearing. For each of these recommendations, previous public conversation has either taken place at a CDAC meeting or a Council meeting. Specifically, the use of project based vouchers was discussed by staff as part of the FY 16-17 budget process and at the August 2015 and July 2016 CDAC meetings; the homeless strategies are a Council item of interest raised at the FY 16-17 CDBG prioritization discussion in August 2015 (and at several subsequent CDAC meetings in FY 15-16); and previously on April 26, 2016, after an extensive public process, Council approved the city's CDBG funding plan.

### **Budget and Financial Impacts**

At this time, federal funds would be used for these recommendations.