

City of Hesperia

STAFF REPORT



DATE: September 20, 2022

TO: Mayor and City Council Members

FROM: Nils Bentsen, City Manager

BY: Rachel Molina, Assistant City Manager
Victor Knight, Economic Development Manager

SUBJECT: PY 2021-2022 Community Development Block Grant (CDBG), Consolidated Annual Performance and Evaluation Report (CAPER)

RECOMMENDED ACTION

It is recommended that the City Council conduct a public hearing and upon accepting public testimony: 1) Approve the Program Year 2021-2022 Consolidated Annual Performance Evaluation Report ("CAPER"); and 2) Authorize the City Manager and/or designee to submit the Program Year 2021-2022 CAPER to the U.S. Department of Housing and Urban Development ("HUD"), along with any public testimony and changes thereto as directed by the City Council.

BACKGROUND

HUD requires the City to prepare and submit a CAPER to describe the City's progress in meeting the goals established in the Program Year 2021-2022 Action Plan that was approved by the City Council on May 4, 2021. The CAPER must be submitted to HUD on or before September 28, 2022, to comply with HUD regulations found at 24 Code of Federal Regulations 91.520. The Program Year 2021-2022 CAPER was prepared and made available for the HUD-required 15-day public review and comment period, which began on September 2, 2022, and concluded on September 20, 2022.

During the 2021-2022 program year, the City received \$992,601 in Community Development Block Grant (CDBG) funds. In addition, the City repurposed \$110,000 in prior year CDBG funds for a total 2021-2022 program budget of \$1,102,601 to be awarded to activities designed to meet the City's Five-Year Consolidated Plan – Strategic Plan goals. This was the second year of the City's five-year 2020-2024 Consolidated Plan cycle for the CDBG program.

ISSUES/ANALYSIS

Prior to the commencement of the 15-day public review period, the City published a notice in the Hesperia Resorter (English and Spanish) informing the public that the City had prepared the Draft 2021-2022 CAPER and its availability for review and comment until September 20, 2022. The public was informed of the opportunity to provide oral and/or written comments on the CAPER and to date, no public comments have been received. Additionally, the Citizen Participation Plan requires that a public hearing be held to receive comments from interested residents or parties regarding the CAPER. This public hearing fulfills the requirements for the public hearing.

The accomplishments for this year include, but are not limited to:

- Funding of fair housing and landlord tenant mediation services provided by Inland Fair Housing and Mediation Board (IFHMB) who were able to assist 404 unduplicated City residents (63 Fair Housing and 341 Landlord Tenant Mediation);
- Completion of the City's 2020-2021 Street Improvement Project that benefited 3,485 unduplicated City residents;
- Commencement of procurement efforts for design and engineering services for the City's 2021-2022 Street Improvement Project which is projected to assist approximately 1,000 unduplicated City residents;
- Commencement of construction on the City's Peach Avenue Drainage Improvement Project which is projected to assist a total of 11,140 City residents; and
- Funding of a total of 11 public service agencies (food banks, senior/disabled adult services, shelter and shelter services, veteran services, etc.) through the City's Community Assistance Program (CAP) whom collectively were able to assist 11,530 City residents.

A more detailed explanation of accomplishments can be found in the attached Draft Program Year 2021-2022 CAPER.

FISCAL IMPACT

Presently, there is no fiscal impact. The City is required to submit the 2021-2022 CAPER to HUD to report on the annual accomplishments and expenditures during the program year. Although the submittal of the CAPER has never resulted in a fiscal impact to the City, failure to submit the CAPER to HUD in a timely manner could possibly result in non-compliance with CDBG regulations, which has the potential to lead to future financial sanctions. Furthermore, HUD could find that activities contained in the CAPER and funded with CDBG funds were not compliant, which also has the potential to cause the repayment of funds.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Exhibit A: PY 2021-2022 Draft CAPER