

# City of Hesperia

## STAFF REPORT



**DATE:** September 18, 2018

**TO:** Mayor and City Council Members

**FROM:** Nils Bentsen, City Manager

**BY:** Rod Yahnke, Economic Development Manager

**SUBJECT:** PY 2017-2018 Community Development Block Grant (CDBG), Consolidated Annual Performance and Evaluation Report (CAPER)

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### RECOMMENDED ACTION

It is recommended that the City Council conduct a public hearing and upon accepting public testimony: 1) Approve the Program Year 2017-2018 Consolidated Annual Performance Evaluation Report ("CAPER"); and 2) Authorize the City Manager or his designee to submit the Program Year 2017-2018 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

The U.S. Department of Housing and Urban Development requires the City to prepare and submit a CAPER to describe the City's progress in meeting the goals established in the Program Year 2017-2018 Action Plan that was approved by the City Council on April 4, 2017. The CAPER must be submitted to HUD on or before September 28, 2018, to comply with HUD regulations found at 24 Code of Federal Regulations 91.520. The Program Year 2017-2018 CAPER was prepared and made available for the HUD-required 15-day public review and comment period, which began on August 31, 2018 and concluded on September 18, 2018.

For the recently completed program year that began on July 1, 2017, and concluded on June 30, 2018, the City received \$953,256 of Community Development Block Grant (CDBG) funds that were allocated in the Action Plan to activities designed to meet the City's Five-Year Consolidated Plan – Strategic Plan goals. This was the third year of the five-year 2015-2019 Consolidated Plan cycle for the City's CDBG program.

### ISSUES/ANALYSIS

Prior to the commencement of the 15-day public review period that began on August 31, 2018, the City published a notice in the Hesperia Resorter and Daily Press (English and Spanish) informing the public that the City had prepared the Draft 2017-2018 CAPER and its availability for review and comment until September 18, 2018. The public was informed of the opportunity to provide oral and/or written comments on the CAPER. 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 618 unduplicated Hesperia residents (46 Fair Housing and 572 Landlord Tenant Mediation);
- Rehabilitation of one (1) property through the Energy Efficiency and Minor Home Repair Program (EEMR);
- Rehabilitation of two (2) properties through the Housing Rehabilitation Loan Program (HRLP);
- Completion of the City's 2017-2018 Street Improvement Project which assisted 5,310 unduplicated Hesperia residents; and
- The City was able to fund a total of 11 public service agencies (food banks, senior/disabled adult services, shelter and shelter services, veteran services, etc.) through its Community Assistance Program (CAP) whom cumulatively were able to assist 9,084 Hesperia residents.

A more detailed explanation of accomplishments can be found in the attached Draft Program Year 2017-2018 CAPER.

## **FISCAL IMPACT**

Presently, there is no fiscal impact. The City is required to submit the 2017-2018 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 2017-2018 Draft CAPER