

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Community and Human Development

AGENDA DATE: June 22, 2010

CONTACT PERSON/PHONE: Bill Lilly/541-4643

DISTRICT(S) AFFECTED: Citywide

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

City Council is scheduled to conduct a public hearing during the regularly scheduled City Council meeting in City Council Chambers on Tuesday, June 22, 2010, to receive comments on the 2010-2015 Consolidated Plan for the City of El Paso and the 2010-2011 Annual Action Plan, and to adopt the Final 2010-2015 Consolidated Plan and 2010-2011 Annual Action Plan for submission to the Department of Housing and Urban Development (HUD). This meeting also serves as the City's required public hearing on program performance.

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

2010-2015 Consolidated Plan for the City of El Paso (Exhibit A)

The Consolidated Plan is a planning document that outlines the City's five-year objectives and outcomes and additionally, serves as an evaluation of past performance for the following four entitlement grants received by the City of El Paso:

1. Community Development Block Grant (CDBG);
2. Emergency Shelter Grant (ESG);
3. HOME Investment Partnerships (HOME) Grant; and
4. Housing Opportunities for Persons with AIDS (HOPWA) Grant.

The CD Department made a concerted effort to solicit citizen input for the development of the Consolidated Plan, utilizing media coverage, written materials and numerous meetings catering to both English and Spanish speaking individuals. The results of this effort indicated the top ten categories as follows:

1. Street projects combining repair, replacement, drainage, sidewalks, curbs and gutters and street lights;
2. Programs, services and facilities targeted towards youth – gang intervention, drug intervention, after-school activities and self esteem training;
3. Program, services and facilities targeted towards disabled persons of all ages;
4. Programs, services and facilities targeted to the elderly – nutrition, in-home care, minor home repair and expanded activity centers;
5. Neighborhood cleanups and code enforcement programs;
6. Health care programs and services;
7. Restrooms in public parks;
8. Child care;
9. Homeless prevention; and
10. Job creation.

On May 4, 2010, City Council adopted the proposed 2010-2015 Consolidated Plan. A notice of availability, including a description of the contents and purpose of the proposed 2010-2015 Consolidated Plan was published in the El Paso Times on May 9, 2010, for public comment over a 30-day period ending on Friday, June 11, 2010. The City received no comments as a result of this publication.

In addition to being available at the office of the Department of Community and Human Development, copies of the proposed 2010-2015 Consolidated Plan for the City of El Paso were distributed to all City libraries, the UTEP Library and all El Paso Community College Libraries to facilitate public access to the document. Copies of the proposed Plan were also mailed to local governments (Anthony, Vinton, Horizon, Socorro, Clint & the County of El Paso) inviting their input.

2010-2011 Annual Action Plan (Exhibit B)

The Annual Action Plan serves as the City of El Paso's official application to HUD for the following four formula grant programs that the City will receive: (1) the Community Development Block Grant (CDBG) Program, (2) the Emergency Shelter Grant (ESG) Program, (3) the HOME Investment Partnerships Grant (HOME) Program, and (4) the Housing Opportunities for Persons with AIDS (HOPWA) Program. The funding amounts for these four programs are as follows:

1. CDBG - \$10,192,253 total budget 2010-2011 grant of \$9,192,253 plus \$1,000,000 in expected CDBG Revolving Loan Fund Income (**Exhibit C-1**).
2. ESG - \$373,158 grant for 2010-2011 (**Exhibit C-2**).
3. HOME - \$5,165,177 total budget 2010-2011 grant of \$3,965,177 plus the projected HOME Program Income amount of \$1,200,000 (**Exhibit C-3**).
4. HOPWA - \$355,028 grant for 2010-2011 (**Exhibit C-4**).

Therefore, the total amount covered by the Annual Action Plan is \$16,085,616. The program year for all four grants will begin on September 1, 2010.

On May 4, 2010, City Council adopted the proposed budgets for 2010-2011, which were advertised in the El Paso Times on May 9, 2010, for public comment over a 30-day period ending on Friday, June 11, 2010. On May 19, 2010, the Mayor received a letter from the Ysleta Independent School District (YISD) regarding the Sand Bluff Pedestrian Route, project #87 in **Exhibit C-1**, which received no recommendation for funding from the CD Steering Committee and Staff. YISD explained the need and merits of the proposed project, stating the benefit to both the City and the District, and requested the support of the City Council to fund the project. The City received no other comments as result of this publication.

The Community Development Steering Committee, a nine-member advisory group appointed by the Mayor and each City Representative, played a vital role in the development of the CDBG, ESG and HOPWA budgets that are recommended to City Council. During February, March and April 2010, the Steering Committee conducted nine meetings considering and analyzing the proposals, which culminated in their unanimous recommendation of the Proposed CDBG, ESG and HOPWA budgets that were adopted by City Council on May 4, 2010.

In addition to being available at the office of the Department of Community and Human Development, copies of the draft Annual Action Plan were distributed to all City libraries, the UTEP Library and all El Paso Community College Libraries to facilitate public access to the document.

CDBG Program

Exhibit C-1 provides a summary of the Proposed 36th Year CDBG Budget that was adopted by City Council on May 4, 2010, with the exception of four noted changes below. For your convenience, we are again attaching updated copies of these CDBG Budget recommendations. The chart includes all projects that were reviewed by the Steering Committee and Staff, whether or not they were recommended for funding. Please note that each of the projects is numbered for easy identification. **Exhibit C-1 Changes:** After Council's adoption of the Proposed CDBG Budget on May 4, 2010, two project cost estimates were adjusted. Project #82 – Gran Cima Street & Drainage Improvements

(formerly known as Gran Cima Street Resurfacing) had drainage elements included in its project scope, which increased its cost estimate by \$31,400 from \$174,600 to \$206,000. Project #97 – Citywide Curb Cut Demand Program was reduced by \$31,400 from \$192,253 to \$160,853 to account for the amount of funding needed for the Gran Cima cost increase. Additionally, two project names changed: Project #77 – Stiles Gardens Subdivision Street and Drainage Improvements Phase I is now entitled “Stiles Drive Street and Drainage Improvements from Dodge Road to Bucher Road”; and Project #78 – Stiles Gardens Subdivision Street and Drainage Improvements Phase II is now entitled “Stiles Drive Street and Drainage Improvements from Bucher Road to Nichols Road.”

Phasing of Projects

The largest portion of the annual CDBG budget (\$5,603,262) is devoted to activities such as housing, code enforcement, interim assistance, economic development, and public facilities. All of these activities help to fulfill the goal of the CDBG Program - which is the improvement of living conditions for low- and moderate-income persons. Some of these physical projects are proposed to be carried out in phases over more than one year, in order to maximize the amount of projects that can be undertaken and to assure the timely expenditure of the CDBG funds. As a result of the phasing practice, there is a total of \$1,681,286 in pre-committed projects (from previous program years) in the 36th Year Budget. In addition, phasing in the new 36th Year projects in a similar manner will result in an additional pre-commitment of \$3,332,231 in the 37th Year (2011-2012) and \$2,958,937 in the 38th Year (2012-2013).

CDBG Social Service Funds

A total of \$1,425,000 of the CDBG budget is devoted to social service projects. This amount constitutes approximately 15% of the CDBG amount plus projected program income and is the maximum available for social services under the CDBG regulations. In addition, City Council also approved the set-aside of \$300,000 in CDBG funds to fund social service initiatives within the City's two HUD-designated Neighborhood Revitalization Strategy Areas: Lower Dyer (\$150,000) and Chamizal (\$150,000). The designation by HUD allows the City to expend additional CDBG social service funds without them being counted against the 15% cap. Thus, a total of \$1,725,000 is designated for CDBG social service funding in the 36th Year.

ESG Program

Exhibit C-2 is a summary of the ESG distribution that was approved by City Council on May 4, 2010, for inclusion in the Proposed Annual Action Plan. A total of 11 non-profit agencies were recommended for funding directly related to the provision of essential services to homeless individuals and/or families, and/or operating expenses for emergency shelters. The total amount of ESG funding available for 2010-2011 is \$373,158.

HOME Program

Exhibit C-3 shows the projected distribution by funding categories of the City's HOME Investment Partnerships Grant. The total amount of HOME funding and the \$1,200,000 in program income, is \$5,165,177.

HOPWA Program

Exhibit C-4 shows the recommended distribution of HOPWA funds totaling \$355,028. International AIDS Empowerment, the current administrator of HOPWA funds for the City, was the sole applicant for 2010-2011 HOPWA dollars and is once again being recommended for funding.

City Council Action

After hearing the comments from the public, City Council is respectfully requested to adopt the 2010-2015 Consolidated Plan for the City of El Paso and the 2010-2011 Annual Action Plan for submission to HUD.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

This is the standard process that City Council has followed in the adoption of proposed entitlement grant funding that the City has received annually from HUD since 1975. City Council approved the proposed 2010-2015 Consolidated Plan Summary and 2010-2011 CDBG, ESG, HOME and HOPWA Budgets on May 4, 2010.

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

The City is expected to submit an approved 2010-2015 Consolidated Plan for the City of El Paso and an approved 2010-2011 Annual Action Plan to HUD on July 8, 2010, which will enable the City to receive \$13,885,616 in federal entitlement grant funds (\$9,192,253 – CDBG, \$373,158 – ESG, \$3,965,177 – HOME, and \$355,028 – HOPWA) that become available to spend on September 1, 2010.

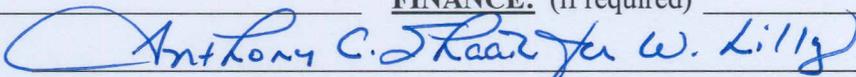
BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

The Community Development Steering Committee unanimously recommended for Council's adoption the 2010-2015 Consolidated Plan Summary and the proposed 2010-2011 CDBG, ESG and HOPWA budgets on March 30, 2010 and March 25, 2010, respectively.

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____ **FINANCE:** (if required) _____

DEPARTMENT HEAD:  _____

(Example: if RCA is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____

DATE: _____