

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Planning & Community Development *AF*

Urgent _____ Routine X

CEO Concurs with Recommendation YES _____ NO _____
(Information Attached)

BOARD AGENDA # _____ *D-2

AGENDA DATE: March 13, 2001

4/5 Vote Required YES _____ NO X

SUBJECT:

APPROVAL OF AMENDMENT TO THE STANISLAUS COUNTY PROGRAM INCOME REUSE PLAN TO INCLUDE NEW CONSTRUCTION

STAFF RECOMMENDATION:

APPROVE THE AMENDMENT TO THE STANISLAUS COUNTY PROGRAM INCOME REUSE PLAN TO INCLUDE NEW CONSTRUCTION.

FISCAL IMPACT:

The implementation of the amendment will cause a fiscal impact only to the Program Income budget and not the General Fund.

BOARD ACTION

No. 2001-182

On motion of Supervisor Mayfield , Seconded by Supervisor Caruso

and approved by the following vote,

Ayes: Supervisors: Mayfield, Blom, Caruso, and Chair Paul

Noes: Supervisors: None

Excused or Absent: Supervisors: Simon

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

Motion:

ATTEST: REAGAN M. WILSON, Clerk By: Christini Ferraro Deputy File No.

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DISCUSSION:

BOARD

GOAL: Safe, Healthy Communities

Opportunities arise regarding the availability of residential property. The various reasons, besides normal real estate marketing, that property is available include:

- excess property owned by a political jurisdiction
- property that has fallen into disrepair
- absentee owners that no longer care for the property, nor seek tenants to occupy
- a death has occurred and there are no apparent heirs

The conditions described above, left unchecked, have caused and will continue to cause negative impacts to the quality of life of a neighborhood.

An eligible activity of Community Development Block Grant Program Income is new construction. This activity includes the acquisition of property that will ultimately benefit the Target Income Group. The benefit in this case is to provide single family housing for households that are either very low- or low-income.

Stanislaus County is currently partnering with Stanislaus County Affordable Housing Corporation (STANCO) and Habitat for Humanity/Stanislaus in the development of six (6) single family residential units. This amendment will provide an opportunity to participate in additional projects.

Staff works closely with various departments (e.g. Sheriff, Environmental Resources, Development Services) that work in the communities and are knowledgeable about those properties that may become, or have become nuisances. It is from this relationship that potential new construction candidates will be identified and considered for acquisition.

Program Income can be used for CDBG-eligible activities if they have been identified in the Reuse Plan. The County's Income Reuse Plan identifies housing and community facilities rehabilitation, public works, clearance activities, interim assistance, economic development, and workforce development as eligible activities. See attached Program Income Reuse Plan. This amendment will add new construction.

POLICY

ISSUES:

The expenditure of funds generated through the use of State and Federal grant funds shall be according to standards established by the granting authority. The actions recommended herein adhere to the standards of the Community Development Block Grant Program as administered by the State Department of Housing and Community Development as well as respond to Board goals of Safe and Healthy Communities. Additionally, the activity proposed in this amendment is consistent with the goals and policies of the Housing Element of the General Plan and the Implementation Plan of the Stanislaus County Redevelopment Project.

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STAFFING

IMPACT: No additional staff is necessary. The amendment to the Program Income Reuse Plan can be administered by present staff.

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PROGRAM INCOME REUSE PLAN

The purpose of these guidelines is to establish policies and procedures for the administration and utilization of program income received as a result of activities funded under the State Community Development Block Grant (CDBG) Program.

Program Income is defined as gross income which is received by the jurisdiction and which has been directly generated from the use of CDBG funds. Examples of such income are payments of principal and interest on rehabilitation loans and interest received on revolving loan funds created under this plan. For those program income generating activities which are only partially assisted with CDBG funds, such income is prorated to reflect actual percentage of CDBG funds utilized.

The following is a listing of the activities eligible for Program Income funds:

HOUSING REHABILITATION

The Revolving Loan Fund activity is for the purpose of making loans to rehabilitate residential units occupied by households which have been determined to be in the Target Income Group. Conditions of the loans will be consistent with the Housing Rehabilitation Guidelines adopted by Stanislaus County. Loans will be made in the territorial jurisdiction of Stanislaus County, but outside any Target Area which is subject to an open CDBG Grant. No more than ten percent will be in the form of a grant. Fifteen percent (15%) of the amount expended annually for loans may be budgeted for program administrative costs; seven and one-half percent (7.5%) may be expended for general administrative costs.

COMMUNITY FACILITIES REHABILITATION

This activity is for the purpose of making grants to rehabilitate community facilities which are principally used by members of the Target Income Group. Funds used for this activity shall not be used for maintenance of operation of the facilities.

PUBLIC WORKS

This activity is for the purpose of making grants to income-eligible households for purposes of connecting to sanitary sewer service.

MINOR HOME REPAIR

This activity is used to respond to needs for minor home repair. Typical minor rehabilitation involves roof repair, water heater replacement, window replacement or plumbing and electrical repair. The program will grant the first \$500 of the activity. The balance required to satisfy payment for work performed will be in the form of a low-interest loan. Standards used in this program are the same as those used in the Rehabilitation Program.

CLEARANCE ACTIVITIES

This activity will respond to health and safety concerns (e.g. dangerous building) in an area principally inhabited by members of the Target Income Group. At times, there is a need to demolish a structure that poses a health and safety threat to a neighborhood. There is a program in place within the Development Services Division of the Public Works Department that addresses this situation. The procedure in place to implement this activity includes a series of actions from determination, noticing and reminder to appeal, decision and action. Program income funds would be used as a second resource to assist the implementation of that program.

INTERIM ASSISTANCE

This activity will also respond to Health and Safety concerns related to areas principally inhabited by members of the Target Income Group and exhibit objectively determinable signs of physical deterioration. Specifically, the execution of special garbage, trash, and debris removal, including neighborhood cleanup campaigns. This shall not include the regular curbside collection of garbage or trash in an area.

ECONOMIC DEVELOPMENT

This activity is for the purpose of supporting economic development when appropriate, in the unincorporated territory of the County. Activities include assisting businesses expand and locate in Stanislaus County and to assist infrastructure projects relating directly to economic development and meet the State and National objective of principally benefitting the Target Income Group.

DOWN PAYMENT ASSISTANCE

As part of the Stanislaus County Program Income Reuse Plan, funds will be available to support Down Payment Assistance for first time home buyers in the unincorporated territory of Stanislaus County. Program Income funds expended in this category shall meet the State and National objectives of principally benefitting the Target Income Group as well as be in compliance with all State and Federal overlay requirements attached to the CDBG Program.

WORKFORCE DEVELOPMENT

This activity is for the purpose of participating in a multi-jurisdictional program that addresses employment within the ranks of the lower income population. Activities include the payment of tuition of program participants that meet the State and National objective of principally benefitting the Target Income Group.

NEW CONSTRUCTION

This activity is for the purpose of facilitating the construction of new single family residential units. The activity shall include acquisition of property, as well as the building activity.