May 6, 2014

Marin County Board of Supervisors
3501 Civic Center Drive
San Rafael, CA 94903

SUBJECT: Federal Fiscal Year 2014 Amendments to Consolidated Plan
(INCLUDING BUDGETS FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT
PROGRAM (CDBG), THE HOME INVESTMENT PARTNERSHIPS PROGRAM
(HOME), AND THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS
PROGRAM (HOPWA))

Dear Board Members,

RECOMMENDATIONS:

1. Hold a public hearing on May 6, 2014, for comment on:

   A. Marin County’s housing and community development needs.

   B. Marin County’s community development performance.

   C. The Consolidated Plan and amendments to the Consolidated Plan,
      including activities proposed for federal Fiscal Year 2014 funding from
      the Community Development Block Grant Program (CDBG), the
      HOME Investment Partnerships Program (HOME), and the Housing
      Opportunities for Persons with AIDS Program (HOPWA).

   D. The proposed budget for the use of federal Fiscal Year 2014 (2014-15
      local program year) CDBG funds, included in the Consolidated Plan
      amendments.

   E. The proposed use of CDBG program income, included in the
      Consolidated Plan amendments.

   F. The proposed budget for the use of federal Fiscal Year 2014 (2014-15
      local program year) HOME funds, included in the Consolidated Plan
      amendments.

   G. The proposed reprogramming of past years’ HOME funds to new
      activities and the proposed use of HOME program income, included in
      the Consolidated Plan amendments.
H. The proposed budget for the use of federal Fiscal Year 2014 (2014-15 local program year) HOPWA funds, included as an information item in the Consolidated Plan amendments.

I. The Local Standard for Affordable Rents.

J. The Civil Rights Policy.

K. The Residential Antidisplacement and Relocation Assistance Plan.

2. Following public testimony, approve the Consolidated Plan amendments and related documents, as attached, including the items listed above, and authorize any budget changes necessary to implement these actions.

3. Following public testimony, approve the Resolution authorizing staff to submit the Consolidated Plan amendments to the U.S. Department of Housing and Urban Development (HUD), and authorize staff to act in connection with the submission of the Consolidated Plan amendments and to provide such corrections or additional information as HUD may require.

4. Announce that copies of the Consolidated Plan (as amended) are available from the Community Development Agency, and that program files, records regarding past use of CDBG, HOME, and HOPWA funds, the Local Standard for Affordable Rents, the Civil Rights Policy, the Residential Antidisplacement and Relocation Assistance Plan, and the Nondiscrimination Policy are available for inspection at the Community Development Agency.

SUMMARY:
On May 4, 2010, the Marin County Board of Supervisors approved the Consolidated Plan for Fiscal Years 2010-14, the document required by HUD as our application for formula funding from the Community Development Block Grant Program (CDBG) and the HOME Investment Partnerships Program (HOME). The five-year Consolidated Plan included an analysis of needs and statements of policies for the entire period, as well as CDBG and HOME project budgets for the first year of the five-year period. In the second, third, fourth, and fifth years, the Consolidated Plan must be amended with an “Action Plan” to add each year’s CDBG and HOME project budgets. On July 1, 2014, we will begin the fifth year covered by the Consolidated Plan, so an annual amendment is required.

The attached amendments to Marin County’s five-year Consolidated Plan update the policy section and add budgets for the use of $1,283,613 in federal Fiscal Year 2014 CDBG funds and $631,741 in federal Fiscal Year 2014 HOME funds. The budget also includes HOME funds from prior years which are recommended for reprogramming (reallocation) to new projects, and allocations of CDBG and HOME program income.

The federal Fiscal Year 2014 CDBG, HOME, and HOPWA funds become available to the County at the start of the local program year, which runs from July 1, 2014 to June 30, 2015. CDBG, HOME, and HOPWA grants are carried in Fund 22050, Fund Center 4000071000, where they will be held until the 2014-15 fiscal year begins, at which time they will be transferred to Fund Centers 4000991027 (CDBG), 4000992020 (HOME), and 4000993010 (HOPWA).
The Consolidated Plan also reports on the planned use of an estimated $294,000 in federal Fiscal Year 2014 HOPWA funds. In the past, HUD allocated HOPWA formula funds to San Francisco on behalf of Marin, San Francisco, and San Mateo Counties, so that Marin's HOPWA allocation was formally included in San Francisco's Consolidated Plan. Effective July 1, 2014, HUD is reconfiguring the geography for the distribution of HOPWA funds. Under the new system, Marin will receive its HOPWA funds from an allocation that HUD will provide to the State on behalf of 41 counties. Staff is recommending that the HOPWA funds available to Marin be used to continue an ongoing rental assistance program currently administered by the Marin Housing Authority. It is not yet clear whether the State will contract with Marin County or the Marin Housing Authority for these HOPWA funds.

Compared to last year's grants, the 2014-15 grant amounts represent a 0.5% decrease in Marin's CDBG allocation, a 4% increase in HOME, and a 3% decrease in the HOPWA allocation.

The CDBG and HOME budget information in the attached Consolidated Plan Amendments was developed following two workshops, five public hearings held by the County in the Planning Areas, one hearing held by the Novato City Council, one hearing held by the San Rafael City Council, and one hearing held by the Countywide Priority Setting Committee on March 24, 2014. This year, HUD announced its calculations of the County's CDBG and HOME formula grant allocations after the staff reports for eight hearings had been completed, but each hearing resulted in a set of instructions for staff on how to adjust the funding amounts for each project after the final grant amounts were announced. The attached documents reflect the revised amounts.

**FISCAL/STAFFING IMPACT:**
The amendments to the Consolidated Plan serve as Marin County's application for federal CDBG and HOME grants, which the County then distributes to eligible projects sponsored by local nonprofit organizations and public agencies. As contemplated in the federal CDBG and HOME regulations, the County is providing grant funds to subrecipients to implement the subrecipients' public benefit projects. Acceptance of these awards has no impact on the General Fund.

**REVIEWED BY:**

[ ] Department of Finance [ x ] N/A
[ ] County Counsel [ x ] N/A
[ ] Human Resources [ x ] N/A

**SIGNATURE:**

Roy Bateman
Community Development Manager