May 9, 2017

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

SUBJECT: Consolidated Plan Amendments 2017 Annual Action Plan
(Including Budgets for the Community Development Block Grant
Program (CDBG), and the HOME Investment Partnerships Program
(HOME)).

Dear Board Members,

RECOMMENDATIONS:

1. Hold a public hearing on May 9, 2017, for comment on:

   A. Marin County's housing and community development needs.
   B. Marin County's community development performance.
   C. The Consolidated Plan Amendments 2017 Annual Action Plan,
      including activities proposed for federal fiscal year 2017 funding from
      the Community Development Block Grant Program (CDBG), and the
      HOME Investment Partnerships Program (HOME).
   D. The proposed budget for the use of federal Fiscal Year 2017 (2017-18
      local program year) CDBG funds included in the Consolidated Plan
      amendments.
   E. The proposed reprogramming of past years' CDBG funds to new
      activities and the proposed use of CDBG program income included in
      the Consolidated Plan amendments 2017 Annual Action Plan.
   F. The proposed budget for the use of federal fiscal year 2017 (2017-18
      local program year) HOME funds included in the Consolidated Plan
   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 2017 Annual Action Plan.
   H. Local Policies and Procedures, including:
      i. The Local Standard for Affordable Rents.
      ii. The Civil Rights Policy.
      iii. The Residential Antidisplacement and Relocation Assistance Plan.
2. Following public testimony, approve the Consolidated Plan amendments 2017 Annual Action Plan 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 2017 Annual Action Plan (as amended) are available from the Community Development Agency, and that program files, records regarding past use of CDBG and HOME 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 12, 2015, the Marin County Board of Supervisors approved the Consolidated Plan for Fiscal Years 2015-19, 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 includes an analysis of affordable housing and community development 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 "Annual Action Plan" to add each year's CDBG and HOME project budgets. July 1, 2017 will mark the beginning of the third year covered by the Consolidated Plan and an annual amendment is required.

The attached 2017 Annual Action Plan amendments to Marin County's five-year Consolidated Plan update the policy section and add budgets for the use of $1,302,255 in Federal Fiscal Year 2017 CDBG funds and $581,483 in Federal Fiscal Year 2017 HOME funds. The Consolidated Plan Amendments 2017 Annual Action Plan is prepared in HUD's Integrated Disbursements & Information System, using their required format. In order to meet HUD's strict time limits on spending, the budget also includes CDBG and HOME funds from prior years which are recommended for reprogramming (reallcation) to new projects, and allocations of CDBG and HOME program income.

Marin's actual grant amounts are affected by changes in the overall program funding in the federal budget, and changes in how Marin ranks in comparison with other grantees on demographic factors. Staff is currently projecting flat funding levels in both programs. To avoid the need for an additional hearing, staff recommends that if there is a change in the grant allocation, the grant award set at the local planning areas hearing be subject to revision. To the extent that cuts are necessary or additional funds are available, staff would adjust the preliminary grant amounts, so that the final funding amounts would be proportional to the amounts approved at the hearings. Where feasible, staff would round numbers to the nearest hundred dollars.
The CDBG and HOME budget information in the attached 2017 Annual Action Plan Consolidated Plan Amendments was developed following 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 April 4, 2017. The specific funding proposals have been reviewed and recommended by the individual Planning Areas Subcommittees and the Countywide Priority Setting Committee.

FISCAL/STAFFING IMPACT:
The Consolidated Plan Amendments 2017 Annual Action 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 sub-recipients to implement the sub-recipients’ public benefit projects. Acceptance of these awards has no impact on the General Fund.

The Federal Fiscal Year 2017 CDBG and HOME funds become available to the County at the start of the local program year, which runs from July 1, 2017 to June 30, 2018. CDBG and HOME grants will be held in HUD Fund 2100; Program 5130 CDA Federal Grants until the 2017-18 fiscal year begins, at which time the funds will be transferred to Org Code 21055132 (HUD CDBG), Org Code 21055133 (HUD HOME Program).

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

SIGNATURE:

Leelee Thomas  Planning Manager

Attachments:
1. Resolution approving the Consolidated Plan Amendments 2017 Annual Action Plan
   Exhibit A: Consolidated Plan Amendments 2017 Annual Action Plan
2. Local Policies and Procedures, including:
   i. The Local Standard for Affordable Rents.
   ii. The Civil Rights Policy.
   iii. The Residential Antidisplacement and Relocation Assistance Plan.

The Board letter and all attachments are available online at:
www.marincounty.org/depts/cd/divisions/federal-grants