



2016-17 ACTION PLAN - AMENDMENT #1
CITY OF ELK GROVE

PUBLIC REVIEW DRAFT
December 23, 2016



AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

[Note: Amendment #1 of the 2016-17 Action Plan covers the reallocation of approximately \\$198,526.07 in funds from prior-year projects that did not expend or are not anticipated to expend their full funding allocation. In addition, the Amendment budgets for an anticipated \\$23,147 in program income expected to be received during the 2016-17 program year. The City plans to reallocate these funds primarily to the 2016-17 curb ramp improvements project.](#)

The 2016-17 Action Plan is a one-year plan to address the community development and low-income housing needs in the City of Elk Grove. It covers the fourth year of implementation of the five-year Consolidated Plan. Both the Consolidated Plan and the Action Plan are implemented by City housing staff.

The City anticipates receiving \$820,031 in 2016-17 funds from the federal Community Development Block Grant (CDBG) program. In addition, the City plans to reallocate about \$303,119 in prior-year funds ([in May 2016](#)), [\\$198,526 in prior-year funds \(in January 2017\)](#), and [\\$23,147 in program income \(in January 2017\)](#). The City also plans to meet its community development and housing needs using the City's Affordable Housing Fund, Neighborhood Stabilization Program, and Community Service Grant program.

City staff encouraged citizen participation throughout the Action Plan process. This included consulting local organizations, holding public meetings, and encouraging public comment during the public review period. Using research and input from the public, City staff formulated the objectives and outcomes that are briefly described below.

2. Summarize the objectives and outcomes identified in the Plan

Objectives

The City's key objectives for the 2016-17 funding period include the following:

- Expand the City's stock of permanent affordable housing for very low-income households, particularly those exiting transitional housing, by acquiring and rehabbing one or more properties for use as shared housing.
- Provide a housing repair program that addresses the quality and affordability of ownership housing stock for target-income households.
- Remove barriers to accessibility throughout the City, especially those barriers identified as a priority by the Disability Advisory Committee.
- Assist community-based organizations with financing that allows them to provide new or expanded services to target-income residents, especially seniors, youth, and the homeless.

Outcomes

The City's housing outcomes for this planning period include acquiring one or more single-family or duplex units to provide permanent affordable housing, and offering a minor housing repair program for low-income homeowners. The City will also meet housing goals through funding provided by the

Neighborhood Stabilization Program and/or the Affordable Housing Fund. The City will continue to offer a Homebuyer Assistance Program funded by a state CalHome grant and by the Affordable Housing Fund.

The City will also fund public improvements, including an ADA-compliant curb ramp installation project to assist disabled residents. Improvements at the Chicks in Crisis “The Ranch” facility, which serves primarily low-income pregnant and parenting teens, will improve the organization's ability to successfully serve its clientele.

The City received applications from nine eligible organizations for public service programs, and plans to fund the following:

- Big Brothers/Big Sisters of Greater Sacramento, which will offer a youth mentoring program.
- Support Works, a case management and education program run by the Elk Grove Food Bank.
- Hope for Healthy Families, a low-cost mental health counseling service.
- Meals on Wheels by ACC, which offers daily hot or frozen meals to homebound seniors.
- Sacramento Self-Help Housing, which offers housing counseling to homeless residents and those at risk of homelessness and provides case management for clients at the City's two transitional housing projects.
- Tenants’ rights and fair housing advice, mediation, and investigation through a partnership with Sacramento Self-Help Housing and Project Sentinel.

3. Evaluation of past performance

The City evaluated its past performance as a part of determining which activities to fund in the 2016-17 year.

The City has had a great deal of success creating new affordable housing. Since 2002, the City has invested nearly \$64 million in the creation of over 1,500 new rental units affordable to low-income and very low-income households. This Action Plan includes activities that continue to expand affordable housing resources, including homebuyer assistance and consideration of new affordable rental units.

In the last several years, the City has also taken steps to identify and address needs related to homelessness. The City opened its first transitional housing project in 2013, and added a second transitional house focused on families that opened in October 2015. As clients are exiting transitional housing, it has become apparent that additional permanent affordable housing is needed, particularly at the lowest income levels.

In the area of accessibility, the City has completed dozens of ADA curb ramps and several sidewalk infill projects in recent years. The need for these activities remains high. The City's Disability Advisory Committee continues to weigh in on priority projects and locations.

The City has typically devoted the full 15% allowed to public services, serving thousands of households with a range of services, from meals to transportation to housing counseling. Many households have come to depend on these services, and new households are accessing them. The City plans to continue to devote the maximum allowable funding to public services, and also to supplement it with around \$360,000 in General Fund monies.

4. Summary of Citizen Participation Process and consultation process

The City offered several opportunities for participation and comment throughout the Action Plan process:

- A public meeting to solicit feedback on needs was held on February 4, 2016. The meeting was noticed in the Elk Grove Citizen (a newspaper of general circulation), and staff also sent emails to interested persons and organizations. The meeting was attended by 15-20 people.
- The City offered an opportunity for comment at its March 23, 2016 City Council meeting, when priority needs and 2016-17 funding allocations were discussed. The City also offered an opportunity for comment at the May 11, 2016 City Council meeting, when the Action Plan is expected to be adopted.
- Staff attended regularly scheduled meetings of the Disability Advisory Committee and Homeless Solutions Committee to solicit feedback on needs and potential projects. All meetings were open to members of the public.
- The City held an interdepartmental meeting to discuss potential projects.

In addition to the participation opportunities held in coordination with the Action Plan, the Consolidated Plan process offered more extensive outreach efforts, including interviewing Food Bank clients and attendees at free meals, and a survey of nonprofits. Based on conversations with nonprofit representatives, the needs expressed at that time remain relevant.

This Action Plan was made available for public review during a public comment period from April 11 to May 11, 2016. A public notice announcing its availability was published in the Elk Grove Citizen on March 9 and April 27, 2016. The first public hearing on the Action Plan was held in front of the Elk Grove City Council on March 23 and a second public hearing was held on May 11, 2016.

[Amendment #1 to the Action Plan was made available for public review during a public comment period from December 23, 2016 to January 25, 2017. A public notice announcing its availability was published in the Elk Grove Citizen on December 16, 2016. The public hearing on the Amendment will be held in front of the Elk Grove City Council on January 25, 2017.](#)

5. Summary of public comments

The City received a number of public comments at the City Council meeting on March 23, 2016. Most of the comments were in support of various organizations, only some of which were eligible for CDBG funding.

- Patricia Beal with the Senior Center of Elk Grove thanked the City for its continued support and noted the Senior Center's role in encouraging the physical and mental well-being of Elk Grove's seniors. She also noted the good work of Chicks in Crisis.
- Ken Bennett of Sacramento Self Help Housing spoke about the importance of case management in helping the residents of the Grace House and Meadow House (transitional housing) to move forward with their lives. He also spoke on the Renters Helpline and housing counseling's role in preventing homelessness, and noted the Sacramento County Department of Human Assistance will be joining his agency's staff in Elk Grove one day a week.
- Lindy Beatie of Big Brothers Big Sisters thanks the City for its continued support and noted that the organization has made many successful matches locally.

Video of the meeting is available on the City's website and includes full comments from each speaker.

The City received no public comments at the May 11, 2016 public hearing in front of the City Council. Additionally, no written or oral comment on the Action Plan was received during the 30-day public review period.

[Public comment received on the Amendment will be added and addressed during and/or following the public comment period.](#)

6. Summary of comments or views not accepted and the reasons for not accepting them

To date, the City has not received any public comments that were not accepted. The City attempted to incorporate feedback received throughout the Action Plan outreach efforts into the Plan in some fashion.

Comments received during the public comment period from April 11 to May 11, 2016 will be included in the Plan, including any reasoning for not accepting certain comments, if applicable.

[Comments received on the Amendment during the public comment period from December 23, 2016 to January 25, 2017 will be included in the Plan, including any reasoning for not accepting certain comments, if applicable.](#)

7. Summary

As a part of the Consolidated Plan effort, the City selected two key priorities:

- Build healthy communities; and
- Expand economic opportunities.

Those goals align closely with two of the City Council's four goals, which include "grow and support safe, livable, and attractive neighborhoods" and "create a vibrant, diversified economy."

Within those priorities, the City identified seven main goals:

- Foster affordable housing;
- Expand homeless housing and services;
- Create local jobs;
- Provide social services;
- Improve accessibility;
- Construct or upgrade public facilities; and
- Maintain community standards.

To address those goals in 2016-17, the City plans to fund the construction of new affordable housing, provide homebuyer assistance loans to first-time homebuyers, provide forgivable loans to homeowners needing health and safety repairs, support nonprofits offering a wide range of social services, and assist with several accessibility projects.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Table 1 – Responsible Agencies

Agency Role	Name	Department/Agency
Lead Agency	ELK GROVE	Development Services
CDBG Administrator	ELK GROVE	Development Services

Narrative

The Development Services Department - Planning Division is responsible for overseeing the administration of the City's CDBG funding, including the preparation of the Consolidated Plan and Action Plan. Within the Planning Division, the Housing and Public Services Manager oversees the day-to-day administration of the CDBG program.

Consolidated Plan Public Contact Information

City of Elk Grove
8401 Laguna Palms Way
Elk Grove, CA 95758
Attn: Housing and Public Services Manager
916-627-3209
sbontrager@elkgrovecity.org

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

In preparing the Consolidated Plan, the City consulted with a variety of agencies, including local and regional nonprofits, Legal Services of Northern California, the Sacramento Housing Alliance, Sacramento Steps Forward, and many others. The City also attended several meetings of specialized City committees and spoke with Food Bank and weekend meal program clients.

The goal of the consultation process was to gather data to help determine the priority needs of Elk Grove citizens and opportunities for coordination to improve availability and accessibility to services.

The 2016-17 Action Plan consultations built off of the robust consultation done as a part of the Consolidated Plan preparation last year, and was focused on working with Elk Grove nonprofits and committees to evaluate whether the needs identified remained relevant.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).

The City's public housing agency is the Sacramento Housing and Redevelopment Agency (SHRA), which noted that it consulted with several agencies in an attempt to determine the level of coordination needed.

At the local level, the Elk Grove Food Bank provides case management services, including referrals to private and governmental health, mental health, and service agencies. The Food Bank holds several health-related events each year, and also provides referrals to free or low-cost (\$5/session) mental health counseling offered by Hope for Healthy Families. The Food Bank serves many clients of affordable housing, and provides on-site services at all four of the City's senior affordable housing complexes.

Several other affordable housing complexes have on-site services provision through a nonprofit partnership, but the hours maintained by staff are often limited.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City hopes to become more involved in the Continuum of Care, which is currently administered by Sacramento Steps Forward, over the next few years. Staff met twice with representatives of Sacramento Steps Forward during the Action Plan preparation to identify potential opportunities for collaboration.

The City's efforts to address the needs of homeless persons have included the formation of the Homeless Solutions Committee, a group of social service providers and faith-based organizations that meets roughly monthly to discuss homeless issues and meaningful ways to address them. The City's has funded two transitional housing projects in the last five years, and continues to work on increasing the supply of permanent affordable housing available to those exiting transitional housing. Additionally, the City funds Sacramento Self-Help Housing, which provides housing counseling to homeless persons or those at risk of homelessness. The City also continues to work with the Elk Grove Homeless Assistance Resource Team (HART), which provides mentoring and other services to the homeless, including EG

WINS, a winter sanctuary program for homeless offered in Elk Grove during the coldest winter months. EG WINS served 58 people in the 2015-16 season.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS.

Sacramento Steps Forward, the lead agency for the Sacramento County Continuum of Care, receives funding through SHRA. Elk Grove does not have sufficient population to receive Emergency Shelter Grant (ESG) funds directly. The City is eligible to receive competitive funding through the California Department of Housing and Community Development (HCD), but previous nonprofit requests have been unsuccessful. HCD plans to move to an “entitlement” allocation strategy in future years, but current projections do not show funding being allocated to Elk Grove. Given the increasing number of homeless in Elk Grove and new awareness of the problem, the City looks forward to being more involved in the Continuum of Care and ESG funding decisions in the future.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities.

Table 2 – Agencies, Groups, and Organizations Who Participated

1	Agency/Group/Organization	Disability Advisory Committee
	Agency/Group/Organization Type	Housing Services-Persons with Disabilities Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Disability Advisory Committee identified priorities for sidewalks, curb ramps, and accessible parks and recreation areas.
2	Agency/Group/Organization	Homeless Solutions Committee
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Staff attended several meetings of the Homeless Solutions Committee. Committee members noted the high level of need of chronically homeless and homeless families. They noted that many homeless have mental health issues, and finding housing in Elk Grove is particularly difficult due to the relatively high rental rates. Future homeless needs include employment training, supportive services (such as mentoring), and permanent housing for those exiting transitional housing. Staff will continue to work with the Homeless Solutions Committee in identifying projects for potential funding with CDBG.

3	Agency/Group/Organization	Elk Grove Adult Community Training
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Noted continued need for services for persons with disabilities and improvements to facilities serving severely disabled.
4	Agency/Group/Organization	Elk Grove Food Bank Services
	Agency/Group/Organization Type	Housing Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Education Services-Employment
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Noted high and increasing level of need for their services and for affordable housing, especially for seniors and the homeless.
5	Agency/Group/Organization	Sacramento Self Help Housing
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless Regional organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Strategy Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Noted lack of housing options in Elk Grove for homeless and extremely low-income; also noted transit is a problem.
6	Agency/Group/Organization	Development Services - City of Elk Grove
	Agency/Group/Organization Type	Other government - Local Grantee Department
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Met with Department representatives. Noted continued need for affordable housing and accessibility improvements.
7	Agency/Group/Organization	Economic Development - City of Elk Grove
	Agency/Group/Organization Type	Other government - Local Grantee Department
	What section of the Plan was addressed by Consultation?	Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Met with Department representatives. Noted other funding sources are a better fit for accomplishing objectives of job creation and business development.

Identify any agency types not consulted and provide rationale for not consulting.

The City consulted a variety of agencies serving Elk Grove residents and the region. No agency types were specifically left out of the consultation process.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Table 3 – Other Local / Regional / Federal Planning Efforts

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Sacramento Steps Forward	Both include the goal of addressing homelessness.
2013-2021 Housing Element	City of Elk Grove	Both include the goal of fostering affordable housing.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting.

The City offered several opportunities for participation and comment throughout the Action Plan process, as indicated below. In addition to these opportunities, several committees (including the Disability Advisory Committee and the Homeless Solutions Committee) provided feedback on priorities at their regularly scheduled and publicly noticed meetings.

The comments received through the citizen participation process were incorporated into the analysis on projects to fund in the 2016-17 year.

Citizen Participation Outreach

Table 4 – Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Newspaper Ad	Non-targeted/broad community	The City published newspaper ads to publicize meetings on January 8, March 9, and April 27. Those meetings were attended by several people, but it is unclear which attendees found out about the meetings through the newspaper ads.	Summarized under public meetings.	Summarized under public meetings.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Internet Outreach	Non-targeted/broad community	The City published newspaper ads to publicize meetings on January 8, March 9, and April 27. Those meetings were attended by several people, but it is unclear which attendees found out about the meetings through the newspaper ads.	Summarized under public meetings.	Summarized under public meetings.	
3	Public Meeting	Non-targeted/broad community	About 15-20 people attended the February 4 meeting. Most represented a nonprofit organization.	There is still an underserved population in Elk Grove. Many organizations would like to expand services, but funding is limited and office/facility space costs are a concern.	All comments were accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Hearing	Non-targeted/broad community	Around 60 people are estimated to have attended the March 23 City Council meeting, but some in attendance were most likely there for unrelated matters.	See summary of public comments in Executive Summary.	All comments were accepted. Some comments were on activities that are not eligible for or did not request CDBG funding.	
5	Public Hearing	Non-targeted/broad community	More than 100 people attended the May 11 City Council meeting, but many were in attendance for unrelated matters.	See summary of public comments in Executive Summary.	No comments received.	

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

The City anticipates continuing to receive CDBG funding throughout the Consolidated Plan period. In addition, the City expects to generate funding for affordable housing through impact fees on new residential and nonresidential development, as well as through grant applications to the California Department of Housing and Community Development.

Priority Table

Table 5 - Expected Resources – Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 4				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	820,031	0	303,119	1,123,150	820,000	
General Fund	public - local	Public Improvements Public Services	360,000	0	0	360,000	340,000	The City allocates General Fund monies to support nonprofits. Many nonprofits serve low-income residents, but that is not a requirement of the funding source.
Housing Trust Fund	public - local	Acquisition Housing	1,900,000	0	6,700,000	8,600,000	1,900,000	The City collects an affordable housing impact fee on new residential and nonresidential development.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 4				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - state	Housing	300,000	0	0	300,000	0	The CalHome program provides down payment assistance loans to low-income first-time homebuyers.

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied.

The CDBG program does not have a matching requirement. However, in evaluating the proposals for CDBG funding each year, the City uses match funds as a factor in determining recommended allocations. The City does add local funds to further support many of the organizations receiving CDBG funding.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

As of the writing of this Action Plan, there was not anticipated to be any publicly-owned land or property within the City that would be used to address identified needs. The City may use some CDBG funding to acquire such land over the course of the planning period.

Discussion

The City attempts to maximize the use of all of its available funding sources by encouraging projects that access private financing (grants, loans, and donations) or other federal or state funding resources, including tax credits. The City actively pursues available grants for housing and community development programs.

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Table 6 – Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category	Needs Addressed	Funding	Goal Outcome Indicator
1	Foster Affordable Housing	2013	2017	Affordable Housing		Housing Trust Fund: \$6,000,000 CalHome: \$300,000	Rental units constructed: 97 Household Housing Unit Direct Financial Assistance to Homebuyers: 20 Households Assisted
2	Expand Homeless Housing and Services	2013	2017	Homeless	Build Healthy Communities	CDBG: \$523,130	Housing units acquired: 2 Housing Unit Homelessness Prevention: 155 Persons Assisted
3	Provide Social Services	2013	2017	Non-Homeless Special Needs		CDBG: \$99,870 General Fund: \$360,000	Public service activities other than Low/Moderate Income Housing Benefit: 14,000 Persons Assisted
4	Improve Accessibility	2013	2017	Non-Housing Community Development		CDBG: \$295,150 520,583	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2000 Persons Assisted
5	Construct or Upgrade Public Facilities	2013	2017	Non-Housing Community Development		CDBG: \$58,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 250 Persons Assisted

Goal Descriptions

Table 7 – Goal Descriptions

1	Goal Name	Foster Affordable Housing
	Goal Description	

2	Goal Name	Expand Homeless Housing and Services
	Goal Description	
3	Goal Name	Provide Social Services
	Goal Description	Beneficiaries include those estimated for CDBG public service activities only, except for Sacramento Self Help Housing’s homeless activities. The number of beneficiaries for non-CDBG-funded activities exceeds 5,000. The number of beneficiaries for CDBG-funded activities is 1,119.
4	Goal Name	Improve Accessibility
	Goal Description	Number of persons assisted is an estimate. Exact location of curb ramps is to be determined.
5	Goal Name	Construct or Upgrade Public Facilities
	Goal Description	

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b).

The City estimates that 97 new affordable rental housing units will be constructed in 2016-17. The City will likely make \$5 million in funding available to finance such units, but due to requirements to obtain multiple funding sources to construct projects, it is unlikely that construction on any new units would be completed during the 2016-17 fiscal year. Current construction estimates show these units will likely not be completed until 2018.

The City currently has 1,588 affordable housing units that were supported by City funding sources.

AP-35 Projects – 91.220(d)

Introduction

The activities to be undertaken during 2016-17 are summarized below. All activities identified are expected to be completed no later than June 30, 2017.

Table 8 – Project Information

#	Project Name
1	Administration
2	Minor Home Repair Program
3	Scattered Site Very Low Income Housing
4	Curb Ramp Accessibility Upgrades
5	Teen Center Flooring Replacement
6	Chicks in Crisis Facility Improvements
7	Big Brothers/Big Sisters of Greater Sacramento
8	Food Bank - Support Works
9	Hope for Healthy Families
10	Meals on Wheels
11	SSHH - Housing Counseling
12	SSHH - Renters Helpline
13	SSHH - Transitional Housing Case Management
14	Fair Housing

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs.

In making project recommendations, consideration was given to a variety of thresholds that projects must meet to comply with CDBG objectives, including meeting one of the national objectives and addressing one of the community priorities set out in the Consolidated Plan. Staff also took into account activity need and justification, cost reasonableness and effectiveness, activity management and implementation, experience with similar activities, past performance, leveraged funds, and completeness of the application. Project recommendations are for those projects determined most likely to be successful and maintain compliance with CDBG regulations.

While there are several constraints to meeting the needs of low-income residents, the primary obstacle is that there is a lack of funding to fully address all needs. The economic challenges of recent years forced many nonprofits to cut services. In response to the level of need, the City has maintained its commitment to providing local funding to nonprofits; for 2016-17, the City's Community Service Grant program funding is expected to grow to \$360,000 per year. The City also supports nonprofits' efforts to raise private funds, in part through providing direct funding and in-kind services to special events, including fundraisers.

A second obstacle to meeting underserved needs is that the location of many available services is in the City of Sacramento. Elk Grove works closely with the regional transit agencies to improve access, and there are several daily public transportation linkages between Elk Grove and downtown Sacramento. The City has also encouraged nonprofit agencies to operate satellite offices within Elk Grove. In 2016-17,

Sacramento Self Help Housing and the Sacramento County Department of Human Assistance will operate out of offices at the Elk Grove United Methodist Church one day per week.

Another obstacle is the number of nonprofits that need assistance with basic management and fiscal policies. Many new nonprofits have formed in Elk Grove and throughout the region, and they have small but passionate staffs and volunteers devoted to a variety of issues. Unfortunately, most new nonprofits do not have the capacity to meet the financial and reporting requirements of CDBG and other grant programs, and may need basic assistance securing tax-exempt status, setting up bookkeeping systems, and applying for grants.

AP-38 Projects Summary

Project Summary Information

Table 9 – Project Summary

Project Name	Goals Supported	Needs Addressed	Funding
Administration	N/A	N/A	CDBG: \$80,000
Minor Home Repair Program	Foster Affordable Housing	Build Healthy Communities	CDBG: \$40,000
Scattered Site Very Low Income Housing	Foster Affordable Housing	Build Healthy Communities	CDBG: \$500,000
Curb Ramp Accessibility Upgrades	Improve Accessibility	Build Healthy Communities	CDBG: \$295,150520,583
Teen Center Flooring Replacement	Construct or Upgrade Public Facilities	Build Healthy Communities	CDBG: \$45,00048,000
Chicks in Crisis Facility Improvements	Construct or Upgrade Public Facilities	Build Healthy Communities	CDBG: \$10,000
Big Brothers/Big Sisters of Greater Sacramento	Provide Social Services	Build Healthy Communities	CDBG: \$10,000
Food Bank - Support Works	Provide Social Services	Build Healthy Communities	CDBG: \$32,000
Hope for Healthy Families	Provide Social Services	Build Healthy Communities	CDBG: \$16,600
Meals on Wheels	Provide Social Services	Build Healthy Communities	CDBG: \$26,770
SSHH - Housing Counseling	Expand Homeless Housing and Services	Build Healthy Communities	CDBG: \$10,500
SSHH - Renters Helpline	Provide Social Services	Build Healthy Communities	CDBG: \$14,500
SSHH - Transitional Housing Case Management	Expand Homeless Housing and Services	Build Healthy Communities	CDBG: \$12,630
Fair Housing	N/A	N/A	CDBG: \$30,000

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed.

Elk Grove used a need-based strategy, as opposed to a place-based strategy, to select projects. The majority of the activities the City plans to conduct will be offered to residents Citywide. Projects with specific locations, such as curb ramp improvements, will have locations chosen in coordination with the Disability Advisory Committee or other stakeholder groups.

Rationale for the priorities for allocating investments geographically

The City did not allocate investments geographically. In consultation with City staff, service providers, and community groups, no particular areas were identified as needing a high level of investment. Additionally, based on the most recent data available, the City does not have any areas where more than 51% of the residents are low-income, a common test for geographic targeting.

Discussion

No geographic priorities are proposed.

AP-55 Affordable Housing – 91.220(g)

Introduction

Although the Action Plan focuses on affordable housing, the City's only HUD funding source is CDBG, which limits the amount of funding that can be spent on affordable housing by prohibiting new construction of housing. (Other HUD programs, such as HOME, are specifically targeted to affordable housing.) The City's strategies related to CDBG-funded affordable housing efforts focus on maintaining affordability for homeowners or creating a limited number of new rental opportunities. Other funding sources are provided to support affordable housing as available.

Table 10 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households to be Supported	
Homeless	2
Non-Homeless	0
Special-Needs	0
Total	2

Table 11 - One Year Goals for Affordable Housing by Support Type

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	0
Acquisition of Existing Units	2
Total	2

Discussion

In 2016-17, the City will offer several programs to foster and maintain affordable housing:

- The City will acquire one or more single-family homes or duplexes to provide permanent affordable housing to those exiting transitional housing.
- The Minor Home Repair Program will offer forgivable loans to homeowners making health and safety repairs to their homes.
- The City's CalHome grants and Affordable Housing Fund will offer first-time homebuyer assistance in the form of downpayment loans.
- The City will likely fund a new 97-unit affordable housing project, supported by a loan from the City's Affordable Housing Fund.
- The City will maintain its investment in affordable rental housing, in which it has loaned \$64 million and created 1,588 affordable housing units in roughly the last decade.

AP-60 Public Housing – 91.220(h)

Introduction

SHRA is the public housing agency serving the City of Elk Grove. SHRA is independent of the City of Elk Grove, and the City retains no control over their funding or implementation of programs.

Actions planned during the next year to address the needs to public housing

Please refer to the SHRA Public Housing Authority Annual Plan for information on the ways that SHRA plans to address public housing needs.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

SHRA encourages public housing residents to participate in policy, procedure, and program implementation and development through its Resident Advisory Board. In addition, the Housing Authority recognizes Resident Committees throughout the Sacramento region, which are resident-elected bodies representing residents in their respective complexes. SHRA also distributes a quarterly newsletter to all residents, which contains relevant news, information on training and employment opportunities, and other community resources available to public housing residents. Public housing residents also participate in the development of the SHRA's five-year and annual plans. The Resident Services Division distributes a survey to prioritize resident needs and schedule short- and long-term improvements.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

SHRA is not designated as "troubled."

Discussion

A wealth of information on SHRA and their programs, housing resources, budgets, and financial planning and reporting is available on their website at www.shra.org.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City's strategy related to the needs of the homeless, those at risk of homelessness, and other special needs populations is focused primarily on funding supportive services in Elk Grove. A secondary strategy is the acquisition of new housing for use as transitional housing or permanent housing for the formerly homeless.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs.

For several years, the City has provided housing counseling to homeless persons and those at risk of becoming homelessness through a partnership with Sacramento Self Help Housing. Sacramento Self Help Housing provides housing counseling, including access to a database of low-cost housing resources in the region. In 2016-17, Sacramento Self Help Housing will provide services from the Elk Grove United Methodist Church, and the Sacramento County Department of Human Assistance (which includes welfare programs) will operate from the same location one day per week. Also in 2016-17, Sacramento Self Help Housing will provide a part-time "homeless navigator," who will proactively seek to connect with the homeless who have not yet sought help directly.

Addressing the emergency shelter and transitional housing needs of homeless persons.

In the past five years, the City completed the acquisition and rehabilitation of two transitional housing facilities, including one focused on families. Currently, there are five single individuals and three families in the two houses.

Elk Grove HART operates EG WINS, a "winter sanctuary" that provides overnight shelter to homeless persons at various churches during the coldest months. The shelter continued operations in 2015-16 winter months, serving 58 people, and expects to offer shelter at least 14 weeks in 2016-17. The City will provide \$10,000 to HART in 2016-17 (local funding) in order to assist with their client tracking and management.

City staff also works with the Homeless Solutions Committee, an informal committee of social service nonprofits and faith-based organizations.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

The City's transitional housing helps clients move from homelessness to permanent housing over a period of three to twelve months. The facilities have generally been successful at helping residents to obtain more secure housing.

In 2016-17, the City expects to acquire new housing that will be used as permanent housing for persons exiting transitional housing, possibly in a shared housing arrangement. Additionally, the City will fund housing counseling through Sacramento Self Help Housing and case management for residents of the two transitional housing projects.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

In 2016-17, the City will fund two activities aimed at preventing homelessness:

- The Elk Grove Food Bank will offer case management, benefits navigation assistance, life skills training, and other opportunities to low-income households.
- Sacramento Self-Help Housing will provide housing counseling, with the goal of helping people who are currently homeless or in imminent danger of becoming homeless to secure new housing.

Discussion

In addition to services for homeless persons or those at risk of homelessness, the City's special needs populations include seniors, disabled persons, foster children, and victims of domestic violence, among others. The City will fund several programs and services assisting these special needs populations in 2016-17. These include the following:

- Senior services, including home-delivered meals and meals served at the Senior Center;
- Accessibility improvements, which will primarily benefit mobility-impaired individuals; and
- Social services, including the Food Bank programs.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

The City identified several barriers to affordable housing in the process of drafting its 2013-2021 Housing Element update. Notable barriers to developing affordable housing include:

- Land availability, particularly the availability of land zoned at densities appropriate for multi-family housing.
- Environmental factors, such as floodplain and native oak trees.
- Cost of land. Land costs are rising, and a recent survey showed the price of land varied from \$53,000 per acre up to \$550,000 per acre. A financially feasible multi-family project generally requires several acres, and parcels with appropriate zoning may be more expensive.
- Construction costs. Recently estimated affordable housing projects have had per-unit costs of \$238,000 and \$273,000, although the majority of that amount is financed through private funding and federal or state tax credits.
- Availability of financing.
- Land use controls. Zoning designations affect the availability of land suitable for multi-family development.
- Residential development standards, which control the type, location, and density of residential development in Elk Grove. Parking requirements, building setbacks, height limits, and open space requirements are essential to ensuring that Elk Grove remains a safe and enjoyable place to live, but may constrain the density at which land is developed.
- Design guidelines, which control the appearance of new development. The requirements of design guidelines may slightly increase the cost of building new housing.
- Site improvement, development impact, and processing fees. These fees can add significant cost to developing new housing. Developers must often pay for new roadway, sewer, water, and park facilities, along with miscellaneous other fees. There are also costs associated with getting projects approved by the City and other agencies.
- Permit and approval process. In addition to the cost of fees on new projects, the amount of time required to process them varies by project, and the developer generally must pay holding costs, such as property taxes, during this time.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City is undertaking a number of actions to reduce potential barriers and constraints to affordable housing, as well as promote housing for special needs populations. These include funds in support of affordable housing development, fee reductions and waivers, regulatory incentives, density bonuses, and rezoning of sites to higher densities. These are described in more detail in the City's 2013-2021 Housing Element.

Discussion

More information is available in the City's 2013-2021 Housing Element.

AP-85 Other Actions – 91.220(k)

Actions planned to address obstacles to meeting underserved needs

While there are several constraints to meeting the needs of target-income residents, the primary obstacle is that there is a lack of funding to fully address all needs. Economic challenges in recent years forced many nonprofits to cut services. In response to the level of need, the City has maintained its commitment to providing local funding to nonprofits; in 2016-17, the City's Community Service Grant program funding will increase to \$360,000. The City also supports nonprofits' efforts to raise private funds, in part through providing direct funding and in-kind services to special events, including fundraisers.

Another obstacle to meeting underserved needs is that the location of many available services is in the City of Sacramento. Elk Grove works closely with the regional transit agencies to improve access, and there are several daily public transportation linkages between Elk Grove and downtown Sacramento. The City has also encouraged nonprofit agencies to operate satellite offices within Elk Grove.

Another obstacle is the number of nonprofits that need assistance with basic management and fiscal policies. Many new nonprofits have formed in Elk Grove and throughout the region, and they have small but passionate staffs and volunteers devoted to a variety of issues. Unfortunately, most new nonprofits do not have the capacity to meet the financial and reporting requirements of CDBG and other grant programs, and may need basic assistance securing tax-exempt status, setting up bookkeeping systems, and applying for grants. City staff is willing to meet with potential applicants throughout the year to provide assistance with preparing for an application or to administer a grant in accordance with federal requirements.

Actions planned to foster and maintain affordable housing

In 2016-17, the City will offer several programs to foster and maintain affordable housing:

- The City will acquire one or more single-family homes or duplexes to provide permanent affordable housing to those exiting transitional housing.
- The Minor Home Repair Program will offer forgivable loans to homeowners making health and safety repairs to their homes.
- The City's CalHome grants and Affordable Housing Fund will offer first-time homebuyer assistance in the form of downpayment loans.
- The City will likely fund a new 97-unit affordable housing project, supported by a loan from the City's Affordable Housing Fund.
- The City will maintain its investment in affordable rental housing, in which it has loaned \$64 million and created 1,588 affordable housing units in roughly the last decade.

Actions planned to reduce lead-based paint hazards

While most housing units were built after 1978 in Elk Grove, the City will work together with the Sacramento County Health and Human Services Department to monitor incidences of elevated blood levels.

The City will also provide lead-abatement assistance for residential units through its minor home repair program. The program will comply with the Residential Lead Based Paint Hazard Reduction Act of 1992

(Title X) and subsequent changes in September 1999. The procedures regarding lead-based paint in both rehabilitation programs will include notification, identification, and treatment (if necessary).

Actions planned to reduce the number of poverty-level families

The City's anti-poverty strategy is based on providing a range of employment opportunities and supportive services aimed at enabling those in poverty to move into the workforce or obtain benefits to which they are entitled (e.g., Social Security, disability). During the 2016-17 program year, these activities will include the Support Works and housing counseling. The Support Works program offered by the Elk Grove Food Bank will provide case management, employment training, life skills coaching, and some educational opportunities. A component of the housing counseling services provided by Sacramento Self-Help Housing is benefits counseling and social service referrals. The City will also continue to support activities that preserve and expand the supply of housing that is affordable to low-income households.

Actions planned to develop institutional structure

The City's Development Services Department is responsible for the management, implementation, and monitoring of the Consolidated Plan documents, including the Action Plan. The Planning Division within the department is specifically charged with these tasks.

The City also has a designated staff position (Housing and Public Services Manager) to administer the programs and activities funded with CDBG funds. Staff works with the individual City divisions, such as Public Works, Economic Development, and Code Enforcement, and the City's advisory committees to develop procedures and coordination for administering programs that will be carried out by these divisions.

Actions planned to enhance coordination between public and private housing and social service agencies

The City will continue its work with neighboring jurisdictions, such as the County and the City of Sacramento and the Sacramento Housing and Redevelopment Agency, to address the regional issues that affect the needs of low-income persons as well as special needs populations. The City will also continue to work with many of the local nonprofits that provide a range of services to low-income Elk Grove residents. In addition, the City plans to work with Rancho Cordova and Citrus Heights, the two other small entitlement jurisdictions in Sacramento County, to research issues of interest to all jurisdictions and to coordinate on shared subrecipient monitoring.

In 2016-17, the City plans to work with SHRA, Citrus Heights, and Rancho Cordova to complete an Assessment of Fair Housing that covers all of Sacramento County. The City also continues to work with those entities, plus Sacramento County, on a long-term solution to providing quality fair housing information and investigation services.

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	<u>923,147</u>
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	<u>923,147</u>

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

Discussion

The City calculates its low-income benefit on a one-year timeframe.