

Public Hearing: 2024-2025 HUD Annual Action Plan

**City Council Meeting
April 16, 2024
Agenda Item 16.2**



BACKGROUND

As a HUD Entitlement Community, the City of Stockton is a recipient of:

- Community Development Block Grant (CDBG)
- Emergency Solutions Grant (ESG)
- HOME Investment Partnerships Program (HOME)

Consolidated Plan (Con Plan)	Annual Action Plan (AAP)	Consolidated Annual Performance Evaluation Report (CAPER)
<ul style="list-style-type: none">• Describes & Prioritizes Community Needs.• Identifies and outlines resources to meet Community Needs.• Provides the City a “Strategic” plan for HUD grant funding.	<ul style="list-style-type: none">• Serves as the City’s application for HUD’s formula block grant programs.• Allocates fiscal year funds for specific projects to address Needs identified in the Con Plan.• Submitted annually to HUD by May 15.	<ul style="list-style-type: none">• Reports to the public and HUD/Congress of the accomplishments of activities identified in the AAP.• Helps measure 5-year Con Plan performance.

2020-2024 CONSOLIDATED PLAN GOALS

1

Provide housing and supportive services for the City's homeless populations.

2

Preserve, improve, and expand the supply of decent affordable housing for lower-income households.

3

Promote economic development activities that create, attract, and retain jobs and promote economic activity and vitality.

4

Ensure the provision of high-quality public services to support ongoing community development.

HUD PROGRAMS

Program Source	Community Development Block Grant (CDBG)	Home Investment Partnerships Program (HOME)	Emergency Solutions Grants (ESG)
Eligible Uses	Low/Moderate-Income Persons	Affordable Housing	Homeless Persons/Families
	Property Acquisition (housing) Property Rehabilitation	New Housing Construction	Street Outreach
	Public Facilities/Infrastructure Improvements (low/mod areas)	Conversion/Housing Rehabilitation	Emergency Shelter
	Public Services programs/ Fair Housing activities	Subsidies for New & Existing Housing	Homeless Prevention/ Rapid Rehousing
	Special Economic Development Activities		Homeless Management Information System (HMIS)

CPP SCHEDULE OF EVENTS

December 13, 2023 NOFA Schedule is Released

January 9, 2024 Mandatory Application Workshop
Application is released

February 2, 2024 Applications due (24-Day application period)

February 21, 2024 CDC Meeting
(CDBG/ESG applicant presentations and scoring)

March 15, 2024 AAP Public Comment Period Begins
Distributed Draft Action Plan

March 20, 2024 Annual Action Plan Community Meeting

April 16, 2024 Council Public Hearing: 2024/25 Action Plan
(including funding recommendations)

Submit AAP to HUD

COMMUNITY OUTREACH



NOTICE OF FUNDING AVAILABILITY

Community Development Block Grant & Emergency Solutions Grant
(for public and homeless services only)

Mandatory Application Workshop
January 9, 2024

Applications deadline
February 2, 2024

www.stocktonca.gov/housing



AVISO DE DISPONIBILIDAD DE FONDOS

Subvención en bloque para desarrollo comunitario y subvención para soluciones de emergencia
(solo para servicios públicos y para personas sin hogar)

Taller de Solicitud Obligatoria 9 de enero de 2024

Fecha límite de solicitudes 2 de febrero de 2024

www.stocktonca.gov/housing



REMINDER MANDATORY NOFA APPLICATION WORKSHOP

Date: January 9, 2024
Time: 2:00 p.m.
Location: Stewart Hazelton Room
Cesar Chavez Central Library
605 N. El Dorado Street
Stockton, CA 95202

Community Development Block Grant & Emergency Solutions Grant
(for public and homeless services only)

www.stocktonca.gov/housing



2024 - 2025

ANNUAL ACTION PLAN

COMMUNITY MEETING

 March 20th, 4:30 p.m.
 Civic Auditorium, North Hall

WWW.STOCKTONCA.GOV/HOUSING

2024-2025 AAP SOURCES

Source of Funds	CDBG	ESG	HOME
Estimated New Entitlement	\$3,220,474	\$275,046	\$1,760,707
Program Income	\$150,000		\$200,000
Prior Years Program Income	\$1,194,493		\$595,104
Reprogrammed Funds	\$420,441		
Prior Year Reprogrammed Funds	\$462,500		
Total Sources	\$5,447,908	\$275,046	\$2,555,811

2024-2025 (YEAR 5 OF 5) ESTIMATED ALLOCATIONS

CDBG	ESG	HOME
\$3,220,474	\$275,046	\$1,760,707

NOTE: 2024-2025 expected allocations are estimates based on previous year's allocations. Official allocations not yet released by HUD.

Final award amounts and distribution among projects/activities identified in this AAP and sources and uses will be proportionately increased or decreased upon HUD's official announcement of FY 2024-2025 allocations.

2024-2025 AAP USES

Use of Funds	CDBG	ESG	HOME
Program Administration	\$644,095	\$20,628	\$287,000
Program Delivery	\$350,000		\$150,000
Housing Loan Program	\$2,283,813		
Housing Rehab Program	\$750,000		
Public Services	\$470,000	\$254,418	
Economic Development	\$950,000		
Loan Fund			\$1,854,705
CHDO Set Aside			\$264,106
Total Sources	\$5,447,908	\$275,046	\$2,555,811

Consolidated Plan Goals	Funding and Funding Source	Activities Funded	Activity Goals
Housing and Services for the Homeless	ESG: \$254,418	<ul style="list-style-type: none"> Homeless Prevention Emergency Shelter 	<ul style="list-style-type: none"> Homelessness Prevention Assisted: 44 Persons Emergency Shelter Assisted: 43 Persons
Affordable Housing	CDBG: \$3,033,813 HOME: \$2,268,811	<ul style="list-style-type: none"> Homeowner Housing Rehabilitation Affordable Housing Construction and Rehabilitation 	<ul style="list-style-type: none"> Homeowner Housing Rehabilitated: 5 Households Rental units constructed: TBD Rental Units Rehabilitated: TBD
Support Economic Development	CDBG: \$950,000	<ul style="list-style-type: none"> Commercial Rehabilitation Programs Business Support Programs Stockton Entrepreneurship Program 	<ul style="list-style-type: none"> Facade treatment/ business building rehabilitation: 5 Businesses assisted: 15
Public Services	CDBG: \$470,000	<ul style="list-style-type: none"> Food Assistance Transition Aged Youth Programming Fair Housing 	<ul style="list-style-type: none"> Public service activities for Low/Moderate Income Benefit: 115,085 Persons Assisted

AFFORDABLE HOUSING (CDBG AND HOME)

Homeowner Housing Rehabilitation

- CDBG Funding: \$750,000
- Projected Goal: Rehabilitate 7 homes for low-income families

Affordable Housing

- CDBG Funding: \$2,283,813
- HOME Funding: \$2,268,811
- Projected Goals: Rehabilitate and Construct affordable housing units. Number of Units: TBD

SUPPORT ECONOMIC DEVELOPMENT (CDBG)

BEFORE



AFTER



Commercial Rehabilitation Programs

- CDBG Funding: \$450,000
- Projected Goal: 5 businesses
- Improve and rehabilitate the façades

Business Support Programs

- CDBG Funding: \$250,000
- Projected Goal: 3

Stockton Entrepreneurship Program

- CDBG Funding: \$250,000
- Projected Goal: 12

CDBG PUBLIC SERVICES

Food Assistance

- CDBG Funding: \$120,000
- Projected Goal: Provide food to 115,055 low-income residents

Transition Aged Youth Programming

- CDBG Funding: \$150,000
- Projected Goal: Provide Transitional Aged Youth Programming to 30 clients

Fair Housing

- CDBG Funding: \$200,000
- Projected Goal: Fair Housing Services. # to be served TBD (RFP process)



ESG HOMELESS SERVICES

- Estimated Allocation: \$275,046
- Direct Services: \$254,418
- HUD imposes a 60% cap on emergency shelter and street outreach activities (\$165,026)
- The remaining amount can be distributed among homeless prevention, rapid rehousing, and HMIS (\$89,392)
- Activities Recommended for funding:
 - Emergency Shelter: \$165,026
 - Projected Goal: Provide emergency shelter to 43 clients
 - Homeless Prevention: \$89,392
 - Projected Goal: Provide homeless prevention services to 44 clients

SLUM BLIGHT AREA (SBA)

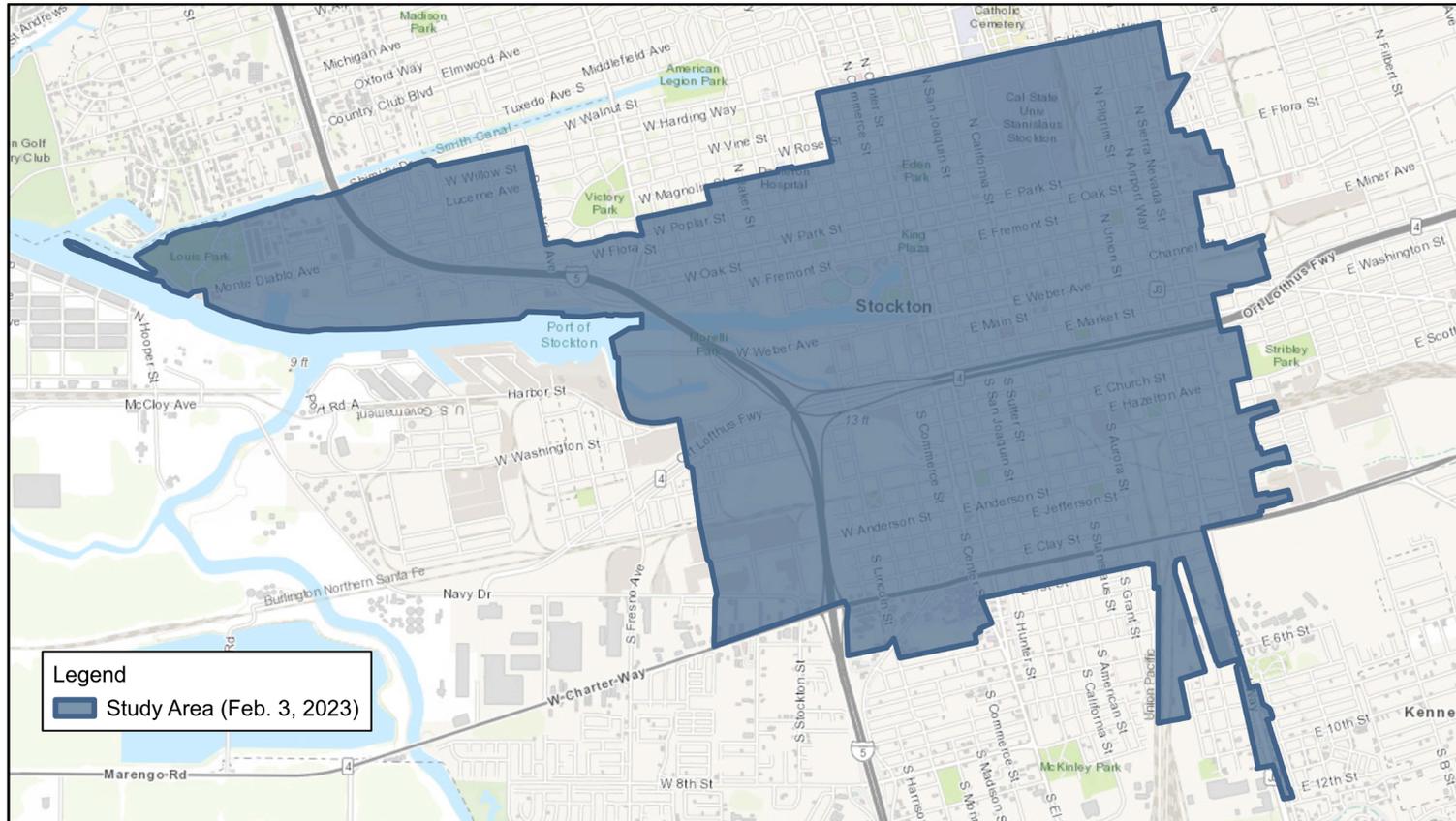
BACKGROUND

- HUD authorizes the use of CDBG funds for activities that meet one of three national objectives, one of which is "Aid in the prevention or elimination of slums of blight".
- One of the categories to qualify activities under this national objective is "Prevent or eliminate slums or blight on an area basis".

BACKGROUND

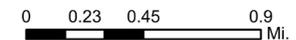
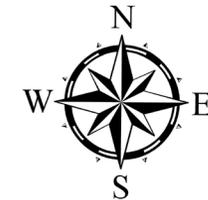
- The area must be delineated by the jurisdiction.
- The activities using this national objective must address one or more of the conditions which contributed to the deterioration of the area.
- The area must be redetermined every 10 years.

STOCKTON SBA MAP



2023 Stockton Slum-Blight Area Map

The Study Area meets the Slum Blight Area Basis criteria set forth in the National Objectives Code for aiding in the prevention or elimination of slums or blight in a designated area.



City of Stockton, San Joaquin County GIS/Planning, San Joaquin County Public Works, Bureau of Land Management, Esri, HERE, Garmin, INCREMENT P, USGS, METI/NASA, EPA, USDA, August 2022 Stockton Field Survey, DTSC, CA State Water Board

Prepared February 7, 2023

RECOMMENDATIONS

It is recommended that the City Council adopt a resolution:

1. Approving the FY 2024-2025 Annual Action Plan and the estimated Sources and Uses of Funds for the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant program (ESG) awarded by the U.S. Housing and Urban Development Department (HUD); and
2. Authorizing the City Manager, or designee, to make the appropriate adjustments to the FY 2024-2025 Annual Action Plan and Sources and Uses and for the CDBG, ESG, and HOME programs upon HUD's publication of the official 2024-2025 CDBG, ESG, and HOME grant awards to the City of Stockton; and
3. Approving a Slum Blight Area (SBA) map developed by RSG, Inc. pursuant to the CDBG regulations at 24 CFR 570.208(b)(1) to allow the use of CDBG funds for SBA National Objective related activities; and
4. Authorizing the City Manager, or designee, to execute and submit all documents to the U.S. Department of Housing and Urban Development, execute contracts with sub-recipients, and to take actions necessary and appropriate to carry out the purpose and intent of the resolution.