



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 5, 2015

**TO:** Mayor and Councilmembers

**FROM:** Administration, Housing and Human Services Division, Community Development Department

**SUBJECT:** Adoption Of 2015-2019 Consolidated Plan And 2015-16 Annual Action Plan

**RECOMMENDATION:** That Council:

- A. Adopt the 2015-2019 Consolidated Plan and 2015-16 Annual Action Plan for submittal to the U.S. Department of Housing and Urban Development (HUD); and
- B. Authorize the City Administrator to sign all necessary documents to submit the City's 2015-2019 Consolidated Plan and 2015-2016 Annual Action Plan to HUD.

### **DISCUSSION:**

The City annually receives (CDBG) funds and HOME Investment Partnerships Program (HOME) funds from the U.S. Department of Housing and Urban Development (HUD). To receive these funds, HUD requires that a Consolidated Plan (ConPlan) be prepared and submitted every five years. The ConPlan identifies the City's housing and community development needs, and details the City's 5-year strategy and goals to address those needs with HUD-allocated funds.

The City is in the final year of its current 5-year ConPlan period, which will end on June 30, 2015. The next ConPlan is due to HUD by May 15, 2015, and it will cover the five-year period beginning July 1, 2015 through June 30, 2020. The ConPlan consists of the following required components:

- Citizen Participation and Consultation with Local Jurisdictions and Service Providers;
- Assessment of Housing, Homeless and Community Development Needs;
- Housing Market Analysis;
- Strategic Plan; and
- 1-Year Action Plan.

The key findings of the needs-assessment process, starting on page 5 of the attached ConPlan, are as follows:

- Housing overpayment is the most prevalent housing problem in the City, with 81% of Santa Barbara's low and moderate income renter households facing a "cost burden," defined as spending 30% or more of income on housing costs. More significantly, 54% of low and moderate income renters face a "severe cost burden" by spending 50% or more of their income towards housing.
- Household overcrowding among renter households, defined as one or more occupants per room, has decreased from 18% during the 2000 Census to 10% Citywide as documented by the most recent American Community Survey. However neighborhoods on the Westside and on the Eastside continue to experience high levels of overcrowding (30% or more).
- The Central Coast Collaborative on Homelessness (C3H) 2015 point in time count encountered 893 homeless individuals within the City of Santa Barbara.
- The City's Capital Improvement Program (CIP) for fiscal years 2014-2019 identified the following general projects (within low and moderate income areas) in need of CDBG funds over the next five years:
  - Park and Neighborhood Center Improvements
  - Sidewalk improvements, including accessibility ramps
  - Bus shelters with solar lighting
  - Street lighting improvements
  - Railway Corridor safety fencing and the deterring or removal of graffiti

As a result of these and other findings, five priority areas were identified for the City's Strategic Plan. CDBG and HOME funds will be used toward activities that satisfy these priority areas, contingent upon the amount of funds HUD makes available each year. The five priority areas are explained in greater detail starting on page 93 of the ConPlan; they are:

1. Homeless Assistance – Support of programs that provide services to homeless individuals and families, and victims of domestic violence.
2. Decent Housing – Support of local housing partners to enable them to acquire, construct or rehabilitate affordable housing, and provide security deposit and tenant based rental assistance.
3. Public Facilities and Infrastructure – Support capital projects that improve facilities of organizations that serve low and moderate income residents, and public infrastructure and parks improvements in low and moderate income neighborhoods.

4. Economic Development – Support of programs that provide self employment training and small business loans.
5. Planning for Housing and Community Development – This includes administration and monitoring activities to ensure CDBG and HOME funds are used in compliance with federal regulations, including fair housing enforcement.

The five priorities were formed based on the National Objectives and Outcomes of the CDBG program that are mandated by HUD, which are to provide decent affordable housing, create a suitable living environment, and create economic opportunities.

In addition to the ConPlan, the City must submit an Annual Action Plan (AAP), which identifies the specific activities that will be undertaken to meet the priority areas stated in the 5-year plan. The 2015-16 AAP is the first program year of the 5-year plan and includes CDBG activities approved by Council on April 7, 2015.

Once adopted, the ConPlan and Action Plan will be submitted electronically using HUD's Integrated Disbursement and Information System (IDIS).

#### Development Process

The City contracted with Karen Warner and Associates (KWA) to develop the ConPlan with the assistance of City staff. As required by HUD, KWA and City consulted with the Housing Authority of the City of Santa Barbara, City departments, social and health service providers, and adjacent local governments. KWA also analyzed extensive data from various sources, such as the 2007-2011 American Community Survey and HUD's Comprehensive Housing Affordability Strategy data.

An on-line Needs Survey (in English and Spanish) was distributed and posted on the City Webpage to obtain input from the general public. Respondents were asked to rank the level of need for public services and benefits and capital improvements. A total of 102 residents completed the Needs Survey. The survey results can be found on Appendix C of the ConPlan.

In addition, two consultation workshops were conducted on November 19, 2014. More than 30 agencies were invited to attend, with a dozen agencies/departments participating in the workshops. The purpose of these workshops was to discuss what each of these agencies define as the key housing and social service issues in Santa Barbara, to identify gaps in service, and to brainstorm potential recommendations. The agencies were also provided a brief survey requesting input on priority needs and gaps in the services provided. The results of the workshops are summarized on Appendix C of the ConPlan.

HUD requires that at least two public hearings be held during development of the ConPlan. The first was held September 23, 2014 and the second was held April 7, 2015. Also, in accordance with federal regulations the draft ConPlan was made available on the City's CDBG & Human Services web page and in the office of the City Clerk, Central Library and the Community Development Department for the required 45-day public review period. Notice of the availability of the Draft ConPlan was published in the Santa Barbara Newspress.

A copy of the City of Santa Barbara Consolidated Plan 2015-2019 and Annual Action Plan 2015-16 is available for review in the City Clerk's Office and in the Council reading file.

**PREPARED BY:** Elizabeth Stotts, Community Development Programs Specialist/  
DR/SLG

**SUBMITTED BY:** George Buell, Community Development Director

**APPROVED BY:** City Administrator's Office