Substantial Amendment 2019-04 to the 2019-2020 Annual Action Plan for Affordable Housing Development

and

Second COVID-19 Amendment to the Citizen Participation Plan

PUBLIC REVIEW DOCUMENT FOR COMMENT PERIOD ENDING JUNE 24, 2020



Planning and Development Department
Housing and Community Development Division
2600 Fresno Street Room 3065
Fresno CA 93721
(559) 621-8300
June 18, 2020

This is a draft document that has been made available for public review and comment.

The Public Comment Period begins June 18, 2020 and concludes on June 24, 2020. Residents are encouraged to submit comments by one of the following methods:

Submit Comments by Mail:

City of Fresno
Planning and Development Department
Attn: Housing and Community Development Division
2600 Fresno Street Room 3065
Fresno CA 93721

Submit Comments by Email:

HCDD@fresno.gov

Please include "2019-04 Amendment" in the subject line

Submit Comments by Phone:

559-621-8300

Submit Comments by TTY:

559-621-8721

Submit Comments by Fax:

559-457-1579

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Summary

The City of Fresno (City) is a federal entitlement community that receives annual allocations of HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). As an entitlement community, the City is required to prepare an Annual Action Plan detailing the uses of entitlement funds to meet its affordable housing and community development goals as outlined in its Consolidated Plan.

For Program Year 2019 – 2020, the City is proposing to make a substantial amendment to its submitted plan. The purpose of the substantial amendment is to allocate program income funds the City has received through its HOME program and payment to the City's Letter of Credit with HUD for the development of affordable housing. This effort is in alignment with the City's 2015 – 2019 Consolidated Plan goal to increase development, preservation, and rehabilitation of affordable housing for low-income and special needs households.

As part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) passed by the U.S. Congress and signed into law by the President on March 27, 2020, HUD has issued guidance to allow for remote citizen participation and shortened public comment periods for substantial amendments during the coronavirus (COVID-19) pandemic. In order to expedite the provision of affordable housing solutions and in light of the ongoing environment restricting public gatherings and access to public spaces, the City is also revising its Citizen Participation Plan to add provisions for citizen participation requirements for substantial amendments during the COVID-19 pandemic.

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Funds To Be Programmed

Substantial Amendment 2019-04 will program \$7.11 million for the development of affordable housing in areas of opportunity, as described below. This \$7.11 million consists of \$5,366,900 in HOME Program Income and a \$1,750,000 City payment to the City's letter of credit (L.O.C.) with HUD.

Table 1: Source of Funds Being Programmed

Program	Source of Funds	Eligible Uses	Amount to Be Reprogrammed
НОМЕ	HOME Program Income	Expenditures are constrained to eligible activities for respective programs including activities	\$5,366,900
CDBG	Affordable Housing Fund	associated with the development of affordable housing.	\$1,750,000
Total Sources to Be Programmed:			\$7,116,900

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Uses of Funds

The City is proposing to utilize \$7,116,900 of the programmed funds for the development of affordable housing in areas of opportunity.

Table 2: Uses of Funds to Be Programmed

Program Year (Action Plan to be Amended)	Project#	Project Name	Proposed Funding
2019	2019 / 20	HOME Development	HOME: \$5,366,900
2019	2019 / 21	Affordable Housing Development – Land Acquisition	CDBG: \$1,000,000
2019	2019 / 27	Affordable Housing Development – Willow and Byrd Land Disposition	CDBG: \$750,000
Total Uses to Be Programmed:			\$7,116,900

These funds will be used to increase the funding for the Affordable Housing Development or Rehabilitation project in the Program Year 2019-2020 Annual Action Plan. Activities to be funded include:

- \$750,000 for disposition of the City-owned property located at Willow and Byrd for affordable single family homeownership in partnership with a City-approved CHDO for construction of at least 60 homes. 100% of the homes will be affordable to households at or below 80% of area median income.
- \$1,000,000 for acquisition and disposition of land designated in the Housing Element as extremely, very and low income parcels in areas of opportunity and \$5,366,900 in the form of Development Agreements to create affordable rental units on those parcels. At least 51% of the units will be affordable to households at or below 80% of area median income.

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Integrated Data and Information System (IDIS) Project Information

	Project Name	HOME Development
	Target Area	Citywide
	Goals Supported	Safe and Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	HOME: \$5,366,900
IDIS Project ID No. 2019 / 20	Description	Funds will be loaned to local affordable housing developers to finance the development or rehabilitation of rental housing projects affordable to low-income households.
	Target Date	June 30, 2023
	Goal	22 housing units
	Location Description	Citywide
	Planned Activity	Development/Rehabilitation of Rental Housing

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	Project Name	Affordable Housing Development – Land Acquisition
	Target Area	Citywide
	Goals Supported	Safe and Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$1,000,000
IDIS Project ID No.	Description	Funds will be used for the planned acquisition of land in areas of opportunity for development through an affordable housing
2019 / 21		development and disposition agreement.
	Target Date	June 30, 2023
	Goal	7 housing units
	Location Description	Citywide
	Planned Activity	01: Acquisition of Property 570.201(a) for Low Mod Housing (LMH) – 570.208(a)(3)

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	Project Name	Affordable Housing Development – Willow and Byrd Land Disposition
	Target Area	Citywide
	Goals Supported	Safe and Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$750,000
IDIS Project ID No. 2019 / 27	Description	Funds will be used for the planned disposition of City-owned property for affordable single-family homeownership in partnership with a City-approved CHDO.
	Target Date	June 30, 2023
	Goal	60 homes
	Location Description	Citywide
	Planned Activity	02: Disposition of Real Property 570.201(b) or 42 USC 5305(a)(7)

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Second Amendment to Citizen Participation Plan

In response to the Coronavirus (COVID-19) Pandemic, HUD has issued guidance and waivers for Citizen Participation Plans. In response, jurisdictions are required to revise their Citizen Participation Plans to adopt requirements for Substantial Amendments to Consolidated Plans (including Annual Action Plans). The two waivers are:

• Citizen Participation Public Comment Period for Consolidated Plan Amendment (including Annual Action Plan)

Through the end of the recipient's 2020 program year, the 30-day minimum for the required public comment period (CFR 91.505(c)(2)) is waived for Substantial Amendments. Grantees must provide no less than 5 days for public comments on each Substantial Amendment. The City of Fresno's 2020 program year ends on June 30, 2021.

Citizen Participation Reasonable Notice and Opportunity to Comment

HUD waives 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401 to allow grantees to determine what constitutes reasonable notice and opportunity to comment given their circumstances.

The City will make the following changes to its 2015-2019 Citizen Participation Plan:

- 1. The 'Notice of Hearing and Review Periods' section will be revised to indicate the following:
 - a. The City will establish a 5-day minimum public review period for Substantial Amendments made during a declared COVID-19 State of Emergency
- 2. The 'Public Hearings' section will be revised to indicate the following:
 - a. Public Hearings are not required for Substantial Amendments made during a declared COVID-19 State of Emergency.

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2015-2019 Citizen Participation Plan

Draft Second Amendment

Introduction

The City of Fresno (City) is a federal entitlement jurisdiction that receives federal grant funding from the U.S. Department of Housing and Urban Development (HUD).

The City of Fresno receives federal entitlement grant funding for the following program:

- Community Development Block Grants (CDBG)
- HOME Investment Partnership Program (HOME)
- Housing Opportunities for People with AIDS (HOPWA)
- Emergency Solutions Grants (ESG)

As an entitlement jurisdiction, the City is required to prepare a:

- Five Year Consolidated Plan (Consolidated Plan)
- Annual Action Plan (Action Plan)
- Annual Consolidated Annual Performance Evaluation Report (CAPER)

Under HUD's Code of Final Regulations for the Consolidated Plan (24 CFR Part 91 Sec. 91.105), the City must adopt a Citizen Participation Plan (CPP) that sets forth the City's policies and procedures for citizen participation in the planning, execution, and evaluation of the Consolidated Plan, Action Plans, and CAPER. This CPP provides guidelines for the City to provide and encourage public participation by residents, community stakeholders, and grant beneficiaries in the process of drafting, implementing, and evaluating the Consolidated Plan and related documents. The citizen participation process includes outreach, public hearings, community forums, and opportunities for comment.

Definitions

- Annual Action Plan: The Action Plan summarizes the activities that will be undertaken in the upcoming Fiscal Year (FY) to meet the goals outlined in the Consolidated Plan. The Action Plan also identifies the federal and non-federal resources that will be used meet the goals of the approved Consolidated Plan.
- COVID-19 Substantial Amendment: A Substantial Amendment to a Consolidated Plan or Annual Action Plan made for Program Year 2019 to enable expending of funds to prevent, prepare for, and respond to the coronavirus (COVID-19) either specifically allocated through and authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) passed by the U.S. Congress and signed into law by the President on March 27, 2020, or which include the programming or reprogramming of other entitlement funds to prevent, prepare for, and respond to the coronavirus (COVID-19).
- **Citizen Participation Plan:** The CPP provides guidelines by which the City will promote engagement in the planning, implementation, and evaluation of the distribution of federal funds, as outlined in the Consolidated Plan, Action Plan, and CAPERs.
- Community Development Block Grant: HUD's CDBG program provides communities with

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resources to address a wide range of housing and community development needs that benefit very low and low-income persons and areas.

- Consolidated Annual Performance Evaluation Report: The CAPER assesses the City's annual achievements relative to the goals in the Consolidated Plan and proposed activities in the Action Plan. HUD requires the City to prepare a CAPER at the end of each fiscal year.
- **Department Of Housing And Urban Development:** HUD is the federal government agency that creates and manages programs pertaining to federal home ownership, affordable housing, fair housing, homelessness, and community and housing development.
- **Displacement:** Displacement refers to the involuntary relocation of individuals from their residences due to housing development and rehabilitation activities paid for by federal funds.
- **Eligible Activity:** Activities that are allowable uses of the CDBG funds covered by the CPP as defined in the Code of Federal Regulations Title 24 for HUD.
- **Emergency Solutions Grant:** HUD's ESG program provides communities with resources to serve homeless individuals and families via Street Outreach, Emergency Shelter, Homelessness Prevention, Rapid Re-Housing Assistance, Homeless Management Information System (HMIS), and Administrative Activities.
- Entitlement Jurisdiction: A city with a population of at least 50,000, a central city of a metropolitan area, or a qualified urban county with a population of at least 200,000 that receives grant funding from HUD.
- **Five Year Consolidated Plan:** HUD requires entitlement jurisdictions to prepare a Consolidated Plan every five years. The Consolidated Plan is a strategic plan that identifies housing, economic, and community development needs and prioritizes funding to address those needs over a five-year period.
- **HOME Investment Partnerships Program:** The HUD HOME program provides resources to fund a wide range of activities that build, buy, and/or rehabilitate affordable rental or homeownership housing or provide direct rental assistance to low-income people.
- Housing Opportunities for Persons with AIDS: The HUD HOPWA program provides
 resources that benefit low-income persons medically diagnosed with HIV/AIDS and their
 families, including housing and social services, chemical dependency treatment, nutritional
 services, case management, and assistance with daily living.
- Low- and Moderate-Income: As defined annually by HUD, Low- and Moderate-Income (LMI) is o-80 percent of area median family income (AMI) for a jurisdiction, with adjustments for smaller or larger families. This includes those individuals presumed by HUD to be principally LMI (abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS and migrant farm workers). HUD utilizes three income levels to define LMI households:
 - Extremely low-income: Households earning 30 percent or less than the AMI (subject to specified adjustments for areas with unusually high or low-incomes)
 - Very low-income: Households earning 50 percent or less than the AMI (subject to specified adjustments for areas with unusually high or low-incomes)

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- Low- and moderate-income: Households earning 80 percent or less than the AMI (subject to adjustments for areas with unusually high or low-incomes or housing costs)
- **Public Hearing:** Public hearings are designed to provide the public the opportunity to make public testimony and comment. Public hearings related to the Consolidated Plan are to be advertised in local newspapers and made accessible to non-English speakers and individuals with disabilities.
- Substantial Amendments: Amendments are considered "Substantial" whenever one of the following is proposed:
 - o A change in the allocation priorities or a change in the method of fund distribution.
 - A change which increases or decreases by 25 percent the amount allocated to a category of funding, or a project or activity budget funded by the entitlement grant programs.
 - o To implement an activity using CDBG funds for new programs that were not described in the Consolidated Plan or the current year Annual Action Plan.
 - To change the purpose or intended beneficiaries of an activity approved for CDBG funding, e.g., instead of primarily benefitting lower income households the activity instead proposes to benefit mostly moderate income households.

Roles, Responsibilities, and Contact Information

The City of Fresno is a federal entitlement jurisdiction and is a recipient of grant funding from the federal government.

The City of Fresno's Charter established a council and manager form of government. Fresno's City Council is the elected legislative body of the City and is responsible for approving its Consolidated Plan, Action Plans, Substantial Amendments, and CAPERs prior to their submission to HUD.

It is the intent of the City to provide for and encourage citizen participation, with particular emphasis on participation by lower income persons who are beneficiaries of or impacted by entitlement- funded activities. The City encourages participation in all stages of the Consolidated Planning process by all residents, including minorities and non-English speaking persons, as well as persons with mobility, visual or hearing impairments, and residents of assisted housing developments and recipients of tenant-based assistance.

In general, hearings will be held at City Hall due to its central location, convenient access, and disability accessibility. Translation services will be provided when there is an indication that non-English speaking persons will be attending. Other reasonable accommodations will be provided on a case-by-case basis.

The General Contact Information for the City's HUD Entitlement Programs is:

City of Fresno

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Thomas Morgan

Development and Resource Management Department
(DARM) Housing and Community Development Division
2600 Fresno Street Room 3065
Fresno, CA 93721
559.621.8300 Phone
559.457.1579 Fax
559.621.8721 TTY
thomas.morgan@fresno.gov

Citizen Participation Policies

Public Hearings

The City will hold public hearings for Consolidated Plans, Annual Action Plans, CAPERs, amendments made to the CPP, and Substantial Amendments.

The Consolidated Plans, Annual Action Plans, CPP amendments, and Substantial Amendments (excluding COVID-19 Substantial Amendments or Substantial Amendments made during a declared COVID-19 State of Emergency) require two public hearings. One required hearing is before the Housing and Community Development Commission (HCDC) and one required hearing is before City Council for document adoption. The CAPER requires one hearing before City Council for document adoption.

The HCDC public hearings will be held at Fresno City Hall Room 2165N, located at 2600 Fresno Street, Fresno, CA 93721. The City Council public hearings will be held at Fresno City Hall, Council Chambers located at 2600 Fresno Street, Room 2097, Fresno, CA 93721. Listening devices, interpretation services, and other assistance to disabled persons or those with limited English proficiency will be provided upon request, ranging up to five business days prior notification to the City Clerk. Requests for disability-related modifications or accommodations required to facilitate meeting participation, including requests for auxiliary aids, services or interpreters, require different lead times, ranging up to five business days. For this reason, it is important to provide as much advance notice as possible to ensure availability. Assistive Listening Devices (ALDs) are available upon request.

In the event that the City is unable to allow in-person citizen participation at a Public Hearing due to a local, state, or federal order, a Public Hearing may be conducted with remote citizen participation. Remote Citizen Participation options must include at a minimum a method for Citizens to listen to the Public Hearing, submit comments verbally by phone, and submit comments in writing or verbally using an internet application on an internet-enabled device.

Notice of Hearings and Review Periods

To allow the public time to provide comments prior to the submission of approved documents to HUD, the City will hold a minimum 30-day public review and comment period for the Consolidated Plan, Action Plan, and Substantial Amendment. The City will establish a public review period of at least 15 days for each CAPER and amendments to the CPP. The City will establish a minimum 5-day public review period for COVID-19 Substantial Amendments or Substantial Amendments made

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during a declared COVID-19 State of Emergency. Copies of the draft plans will be available to the public at City of Fresno Development and Resource Management, Room 3065, 2600 Fresno Street, Fresno, CA 93721 and on the website of the Housing and Community Development division at http://www.fresno.gov/housing.

The City will place public notices at libraries, recreation centers, community centers, online through the City's website, and through advertisement in the Fresno Bee in advance of a 30-day public review and comment period.

To ensure that the public, including minorities, persons with limited English proficiency, persons with disabilities, residents of public housing, and LMI residents are able to participate in the public review process, the City will provide residents, public agencies, and other stakeholders with notices on applicable public review periods and public hearings that adhere to the following:

 The notices will be published prior to the start of the public comment period and at least 15 days before the final public hearing and will include information regarding how to request accommodation and services available for persons with disabilities who wish to attend the public hearings.

The notices will be distributed to persons and agencies on the contact list maintained by the City for those parties expressing interest in receiving information and updates related to the City's Consolidated Plan, Action Plan, CAPER, Substantial Amendments and CPP. Interested parties may request to be added to this contact list by sending an email to HCDD@fresno.gov, by calling (559) 621-8300, or by writing to the Fresno Planning and Development Department, Room 3065, 2600 Fresno Street, Fresno, CA 93721.

The notices will be distributed through a variety of methods, including e-mail, newspaper publications and the City's website at www.fresno.gov. The notices will include information on how to obtain a copy of the draft documents and scheduled hearing dates, times, and locations.

The public may file comments on draft plans in writing to the Fresno Planning and Development Department, Room 3065, 2600 Fresno Street, Fresno, CA 93721; via email to HCDD@fresno.gov; by phone at (559) 621-8300. Comments may also be submitted in person to Fresno Planning and Development Department, Room 3065, 2600 Fresno Street, Fresno, CA 93721, Monday through Friday during business hours, and during the Council adoption hearing.

When necessary or applicable, the City may combine notices complying with several individual requirements into one comprehensive notice for dissemination and publication.

In the event that City Hall, Fresno County Libraries, or City Neighborhood and Community Centers are closed to the Public due to a local, state, or federal order, the requirement to post notices at these locations will be waived, and the City will instead distribute the notices through digital channels to include at least two internet-based communication platforms maintained by City of Fresno Public Affairs, such as Facebook or Twitter.

In the event that a Public Hearing will be conducted remotely, instructions must be distributed at least five days before the Public Hearing on the website of the Housing and Community Development Commission website at http://www.fresno.gov/housing and sent by email to the contact list maintained by the City for those parties expressing interest in receiving information and updates related to the City's Consolidated Plan, Action Plan, CAPER, Substantial Amendments and

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CPP. Interested parties may request to be added to this contact list by sending an email to HCDD@fresno.gov, by calling (559) 621-8300 or by writing to the Fresno Planning and Development, Room 3065, 2600 Fresno Street, Fresno, CA 93721. The instructions must also be included with the meeting Agenda which must be published at minimum 72 hours in advance of the Public Hearing.

Comments/Complaints on Adopted Plans

Comments or complaints from residents, public agencies, and other stakeholders regarding the adopted Consolidated Plan or related amendments and performance reports may be submitted in writing or verbally to the General Contact at Fresno Planning and Development Department, Room 3065, 2600 Fresno Street, Fresno, CA 93721. Written comments or complaints will be referred to appropriate City staff for consideration and response. The City will attempt to respond to all comments or complaints within 15 business days and maintain a correspondence file for this purpose.

HUD officials will consider public concerns regarding the City's plans and programs described in this Citizen Participation Plan. Written concerns may be submitted to: Maria Cremer, Director Community Planning and Development Division U.S. Department of Housing & Urban Development San Francisco Regional Office, Region IX, One Sansome Street, Suite 1200, San Francisco, CA 94104-4430

Availability of Draft and Approved Documents

The draft and final versions of the Consolidated Plan, Action Plan, CAPER, all related amendments, and regulations will be available online the City's records, at http://www.fresno.gov/housing. Hard copies of all documents will be available at the Fresno Planning and Development Department, Room 3065, 2600 Fresno Street, Fresno, CA 93721 and upon written request. If the City is unable to provide immediate access to the documents requested, it will make every effort to provide the documents and reports within 15 business days from the receipt of the request.

During the public review and comment period, copies of the document will be available to the public for review at libraries, recreation centers, community centers, and through the City's website at www.fresno.gov. In the event that City Hall, Fresno County Libraries, or City Neighborhood and Community Centers are closed to the Public due to a local, state, or federal order, the requirement to distribute documents at these locations will be waived.

Displacement Policy

As part of the CPP, the City must maintain a displacement policy. Displacement refers to the involuntary relocation of individuals from their residence due to housing development and rehabilitation paid for with federal funds. The City will continue to use existing federal and state relocation guidelines, as applicable, to minimize displacement and to alleviate the problems caused by displacement. Both the federal government and the State of California have specific requirements dictating the amount of benefits and assistance that must be provided to lower income persons and households relocated from their homes as a result of displacement. Depending on the funding source, displaced persons may be offered one or more of the following:

• A rent subsidy for another unit

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- A cash payment to be used for rent or a down payment on the purchase of a dwelling unit
- Moving and related expenses

The City's rehabilitation programs may also incur relocation issues when they provide minor additions to existing dwellings in order to address overcrowding. Any temporary relocation costs are included in the rehabilitation package offered to clients.

Technical Assistance

The City will, to the extent feasible, respond to requests for technical assistance from entities representing LMI groups who are seeking federal entitlement funding in accordance with grant procedures. This may include, but is not limited to, providing information regarding how to fill out applications, other potential funding sources, and referrals to appropriate agencies within and outside the City. "Technical assistance," as used here, does not include the provision of funds to the entities requesting such assistance. Assistance will also be provided by Department of Housing staff to interested individuals and resident groups who need further explanation on the background and intent of the Housing and Community Development Act, interpretation of specific HUD regulations, and project eligibility criteria for federal grants.

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