

CITY OF FULLERTON COMMUNITY DEVELOPMENT CITIZENS' COMMITTEE MEETING MINUTES

JUNE 2, 2011, 6:30 P.M.

City Council Chamber 303 West Commonwealth Avenue Fullerton, California

6:30 p.m. CALL TO ORDER Chairman Kremer called the

meeting to order at 6:30 p.m.

Morgan, Shipman Absent ROLL CALL

Present: Chairman Kremer; Members Axe,

Dasney, Hernandez, Maheshvari,

Watts, Vice Chair Weflen

Absent: Members Morgan and Shipman

Staff Present: Linda R. Morad, Housing

Programs Supervisor; Kim

Radding, HCR Clerical Assistant

MINUTES - MARCH 21, 2011

Approved It was moved by Member Dasney, seconded by Vice

Chair Weflen to approve the March 21, 2011 Community Development Citizens' Committee Minutes

as written.

Motion Carried 7-0

HOUSING PROGRAMS UPDATE

Presented 1. Update on the status of the on-going Homelessness

Prevention and Rapid Re-Housing Program (HPRP), Neighborhood Stabilization Program (NSP), the Notice of Funding Availability (NOFA) for Affordable Housing,

and related projects.

Ms. Morad advised that Fullerton Interfaith Emergency

Services (FIES) has expended 60% of the HPRP funding as prescribed by the federal program guidelines. The funding expended monthly will now be reduced to approximately \$7,000 per month through

the end of the program.

Fullerton, is the lead city in a joint cooperation with the cities of Costa Mesa and La Habra to expend State NSP funds. The NSP Grant of \$1.3 million was used in all three cities. The program purchased five foreclosed homes (two in Fullerton, two in Costa Mesa and one in La Habra) and rehabilitated each home for resale to households under 120% of the Orange County median income. Mercy Housing (Developer) facilitated the acquisition, rehabilitation and sale of the properties. Due to internal staff reduction Mercy Housing is now asking to be released from the NSP Agreement. Discussions are underway to determine a Developer to administer this program.

A Notice of Funding Availability (NOFA) for the development of affordable housing in Fullerton was finalized in May. A Committee was established to review and score the thirteen proposals submitted during the NOFA and prioritize the projects for City Council approval. The City Council has requested a special Affordable Housing Study Session to be held on June 6, 2011. The Council is expected to approve up to three projects for development. A determination is anticipated in late summer. This development will be funded through a housing bond.

HOME funds were allocated to rehabilitate a 16 unit apartment complex located at 466 W. Valencia Drive, Fullerton. Tenants are expected to begin moving into these apartments by July, 2011. Affordable rents will be offered at this smoke-free location, as well as a second location featuring 16 one and two bedroom apartment units on the 2300 block of Roberta Avenue. The rehabilitation phase at the Roberta location is expected to commence by Fall, 2011.

HOME funding for the 2011-2012 fiscal year have been reduced by over 10%. The State budget has not yet been finalized. Thus, the status of funding to Redevelopment Agencies remains in jeopardy.

The annual Section 108 debt service is now over 50% of the CDBG entitlement. Staff looked into using alternative bond financing to repay the balance of the loan, but it was determined that the bond funds were not eligible to be used in this manner.

Funding Recommendation Approved

RECOMMENDATIONS

1. The CDBG funding anticipated as of the March 21, 2011 CDCC meeting was significantly reduced. The Committee shall determine the recommendation that will be submitted for City Council approval on June 21, 2011 proposing the non-profit organizations and City Departments that shall be allocated from reduced CDBG funds to be expended in support of specific programs during the 2011-12 Fiscal Year.

The City of Fullerton will receive \$1,362,817 in CDBG funding for the 2011-2012 Fiscal Year; a reduction of over 16%.

Ms. Morad provided a presentation outlining several potential methods to reduce the CDBG funding allocations to subrecipient non-profit organizations and City departments. The funding models were utilized as a basis for discussion among the Committee members.

Recess was called at 7:05 p.m.

Meeting and discussion resumed at 7:15 p.m.

Chairman Kremer proposed a motion to recommend allocation of the reduced CDBG funding entitlement as follows: AIDS Services Foundation Orange County (\$5,000), Boys and Girls Club of Fullerton (\$44,000), Council on Aging Orange County (\$17,200), Fair Housing Council of Orange County (\$20,000), Fullerton Interfaith Emergency Service (\$9,600), Meals on Wheels of Fullerton (\$30,800), Mercy House Living Centers (\$8,000), Women's Transitional Living Center (\$8,000), YMCA of Northern Orange County (\$8,000), City Departments (\$659,520), Section 108 loan repayment (\$727,480). The motion was seconded by Member Dasney.

Motion carried 7-0.

PUBLIC COMMENT

None None

FUTURE MEETINGS

The next Community Development Citizens' Committee meeting shall be scheduled as needed. The CDCC funding recommendation determined during this meeting shall be submitted for City Council approval on June 21, 2011 at 6:30 p.m. during the regularly scheduled meeting of the Fullerton City Council.

ADJOURNMENT

7:38 p.m. Chairman Kremer adjourned the meeting at 7:38 p.m.

Kim Radding, Clerk to the Community Development Citizens' Committee