

Lompoc City Council Agenda Item

City Council Meeting Date: September 17, 2013

TO: Laurel M. Barcelona, City Administrator

FROM: Lucille T. Breese, AICP, Planning Manager
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Teresa Gallavan, Economic Development Director/Assistant City Administrator

SUBJECT: City of Lompoc Fiscal Year 2012–2013 Consolidated Annual Performance and Evaluation Report (CAPER)



Recommendation:

Staff recommends the City Council:

- 1) Receive the Lompoc FY 2012 – 2013 Consolidated Annual Performance and Evaluation Report (CAPER) on activities funded with Federal Community Development Block Grant (CDBG) Fund 43 Program Income and local Human Service Funds;
- 2) Hold the hearing to review the CAPER and include any comments received during the public review period in the report; and
- 3) Direct staff to file the report with the U.S. Department of Housing and Urban Development (HUD).

Background/Discussion:

Lompoc's CAPER summarizes accomplishments made using CDBG Fund 43 Program Income and local Human Service Funds during CDBG Program Year (PY) 2012, which covers the period of July 1, 2012, through June 30, 2013. Lompoc's CAPER does not include all Lompoc activities using Lompoc CDBG and HOME entitlement funding through the Santa Barbara County Urban CDBG Consortium or the HOME Consortium. City capital activities, such as: the Civic Auditorium improvements; Catholic Charities Mobile Home Emergency Repair Grant (MERG/ERG) program; Marks House Lead Abatement and Re-painting project; and Human Service Program recipients, which include Lompoc Emergency Shelter—Domestic Violence Solutions, 211 Helpline, and the North County Crisis Center, are reported in the County Urban Consortium's FY 2012-2013 CAPER.

Lompoc's FY 2012-13 projects reported in the CAPER include:

- Construction was completed in December 2012 on Phase I, which consisted of 36 out of 55 total, one-, two-, three-, and four-bedroom rental units at the Santa Rita Village Apartments, with the remaining 19 units projected to be completed in Phase II at a later date;
- Construction was completed in May 2013 on the Cypress Court Senior Apartments, consisting of 60 units of affordable one- and two-bedroom rental housing units for seniors and persons with disabilities;
- The City Council, through recommendations from the Human Services Commission, allocated \$55,000 in Human Service Donation Funds; \$58,246 in FY 2012-2013 CDBG Urban Consortium Funds; and \$23,754 in CDBG program income, for a total of \$137,000. An additional \$165 in prior year CDBG program income was also added to the allocation, bringing the total to \$137,165 in CDBG/Human Service Program Funds to assist 24 social service programs. The CDBG Program provides staffing support to the Human Services Commission, which meets the first Monday of the month at City Hall;
- Two newly renovated Little League Ballfields were completed in March of 2013 at Johns Manville Park;
- Completion of the third year of a three-year Consortium Agreement for the purpose of receiving Federal CDBG Funds for PY 2010-2011, 2011-2012, 2012-2013;
- The City's CDBG staff assisted the City's housing activities by providing housing rehabilitation loan counseling, preparation of loan documents for homeowners, loan processing, loan servicing, inspections, ordering of lead-based paint inspections and remediation work as needed, for the Single-Family Rehabilitation Revolving Loan Fund Program. The total CDBG loan portfolio of the City's CDBG/HOME Program consists of 58 loans, with a principal balance of \$3,260,411. Throughout the 2012-2013 program year, staff promoted the program and directly assisted 28 interested program applicants. However, of those 28 interested applicants, only two chose to proceed with the application process. Those two loan applications were processed in FY 2012-2013, but were approved in July 2013; and
- The investigation and follow-up of 330 new Code Enforcement Cases in the City's low- and moderate-income (LMI) census tract areas and the successful closing and resolution of 308 cases.

The following CDBG Program Income Funds (Fund 43) were available for use during the reporting period:

Unexpended CDBG Program Income Funds at the end of June 30, 2012 (last FY)*	\$ 1,302,895
Program Income earned in FY 2012-2013	\$ 182,704
Total CDBG Program Income Funds available July 1, 2012 through June 30, 2013	\$ 1,485,599
Total FY 2012-2013 Program Year Program Income Fund Expenditures	\$ 301,434
Unexpended balance June 30, 2013	\$ 1,184,165

*Beginning Balance adjusted by \$35,942 to reflect a reversal of Santa Barbara County program income received by the City in 2011, and credited back to County in the current reporting year.

The CAPER is organized into the following sections:

- General
- Housing
- Homeless
- Community Development
- Non-Homeless Special Needs
- Other Narrative
- Back-up Documentation
- Certifications

After the executive summary, each section begins with standardized HUD questions, which are followed by City CAPER responses. Our responses are structured accordingly, as changes are not permissible to this official HUD-generated document.

The CAPER will be posted for a 15-day public review period beginning September 12, 2013, through September 27, 2013, and any comments received will be included in the final document. The CAPER will be forwarded to HUD with any public comments received, prior to the September 30, 2013, deadline.

Fiscal Impact:

The CAPER includes accomplishments made using CDBG Fund 43 Program Income and local Human Service Funds. There is no fiscal impact to the General Fund. Staffing resources have been expended in the preparation of the CAPER within the CDBG Administrative and Planning Divisions of the Economic Development Department, the Finance Division of the Management Services Department, Public Works Department and the Parks Department.

While the CAPER is required to be filed with HUD by September 30, 2013 (90 days following the end of the fiscal year), reporting of federal expenditures is not finalized until the City files our annual Office of Management and Budget 133 Report (OMB-133), which is electronically filed upon the completion of the City's annual financial audit and the publishing of the City's annual financial statements. The City's fiscal audit is not scheduled to begin until October 28, 2013, and the related report is due by December 31, 2013 (six months following the end of the fiscal year). The filing of OMB-133 is due by March 31, 2014 (nine months following the end of the fiscal year). As the Governmental Accounting Standards Board (GASB) requires the City to account for fiscal activity related to the prior fiscal year up to 45 days following the end of the fiscal year, providing final financial activity to the CDBG Administrative Division to prepare the CAPER has been and will continue to be a challenge as the Finance Division balances reporting deadlines with the desire to provide final, full and complete records of activity related to projects included in the CAPER.

Conclusion:

The CAPER is an annual report required by the U.S Department of Housing and Urban Development. It is to be completed within 90 days of the close of the fiscal year. All funding allocations and projects recapped in the annual report have been previously approved by Council throughout the reporting period. By reviewing the report and holding a public hearing, staff will be able to submit the report with any comments to HUD in compliance with its requirements.

Lucille T. Breese, AICP, Planning Manager

APPROVED FOR SUBMITTAL TO THE CITY ADMINISTRATOR:

Teresa Gallavan, Economic Development Director/Assistant City Administrator

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Laurel M. Barcelona, City Administrator

Attachment: [City of Lompoc CAPER Fiscal Year 2012-2013](#)