



CITY OF NEWARK

Community Development Advisory Committee

City Hall, City Council Chambers

37101 Newark Boulevard, Newark, CA 94560 | (510) 578-4330 | E-mail: planning@newark.org

AGENDA

Wednesday, May 1, 2024

6:00 p.m.

I. ROLL CALL

II. MINUTES

Approval of Minutes of the January 19, 2023, meeting.

Approval of Minutes of the April 5, 2023, meeting.

(MOTION)

III. STAFF REPORTS

A. Community Development Block Grant (CDBG) Status Report

B. Recommendations for 2024-2025 Jurisdiction Improvements Project Funds

C. Update to Annual CDBG Contract for 2023-2024 (Informational Item)

(MOTION)

IV. ADJOURNMENT

Pursuant to Government Code 54957.5, supplemental materials distributed less than 72 hours before this meeting, to a majority of the Planning Commission, will be made available for public inspection at this meeting and will be posted, if time allows, at [Agendas and Minutes](#). Materials prepared by City staff and distributed during the meeting are available for public inspection at the meeting or after the meeting if prepared by some other person. Documents related to closed session items or exempt from disclosure will not be made available for public inspection. For those persons who require special accommodations, please contact the Administrative Support Specialist at least two days prior to the meeting at planning@newark.org or 510-578-4330.

City of Newark | Community Development Advisory Committee

Chair Mike Hannon | Members: Jeff Aguilar, Olga Borjon, Bill Fitts, Luis Freitas, Eric Hentschke, Jeff Lucia, Namit Saksena & Raju Mathew



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City Administration Building, City Council Chambers

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MINUTES

Thursday, January 19, 2023

6:00 p.m.

I. ROLL CALL

Chairperson Hannon called the meeting to order at 6:02 p.m. Present were members Fitts, Hentschke, Aguilar, Freitas, Borjon, and Mathew. Committee members Lucia and Saksena were absent.

II. MINUTES

Approval of Minutes of the March 8, 2022, Meeting

MOTION APPROVED

Member Fitts moved, and member Hentschke seconded to approve the Minutes of the March 8, 2022, meeting. **The motion passed 7 AYES.**

III. STAFF REPORTS

A. Recommendation for allocation of a \$12 million funding award to Satellite Affordable Housing Associates for an affordable housing project at 6347-6375 Thornton Avenue.

Community Development Director (CDD) Steven Turner announced that Senior Planner (SP) Carmelisa Lopez would be giving a presentation on behalf of Staff, followed by a presentation from the Satellite Affordable Housing Associates (SAHA) developer.

Before starting her presentation, SP Carmelisa Lopez started by introducing the team who has been working on the initiative, which included CDD Steven Turner, Deputy Community Development Director (DCDD) Art Interiano, herself, the housing consultant team composed of Principal Kristy Wang from Community Planning Collaborative, Paul Peninger, Principal from Bay Area Economics, and the developer's representative, Jonathan Astmann, who is the Senior Project Manager at SAHA. SP Lopez then discussed the Affordable Housing Work Plan, the Notice of Funding Availability (NOFA), where the financing would come from, the NOFA process, which was announced in June 2022, and the Staff invitation to developers to submit proposals, which was due in August 2022. She went on to say that Staff had received only one proposal, from SAHA, with whom they had been collaborating to present the project to the Community Development Advisory Committee (CDAC) for their assessment and recommendations, and then to the City Council for final funding approval, which would be \$12,000,000 to SAHA. SP Lopez also explained what the CDAC review priorities on the proposal were. With that, SP Lopez stated that Jonathan Astmann, Senior Project Manager at SAHA, would be presenting the project proposal, and Kristy Wang, who is part of the consulting team.

Jonathan Astmann introduced himself as SAHA's Associate Director of Real Estate Development and stated that SAHA was formed in 2013 by the merger of two non-profit satellite affordable housing associations founded in the late 1960s and 1993. He went on to say that his organization has developed 70 properties that serve over 4,000 residents, is in the process of developing 15 additional developments that, when completed, will represent 1,200 units and approximately half a billion dollars in assets, and has provided 150 units for senior affordable housing in Western Newark. He proceeded on to indicate that the proposed development would have 57 apartment units with a mix of one, two, and three bedrooms, as well as many amenities such as a community room with a kitchenette, a courtyard, a gardening program with wheelchair accessibility, an outdoor playground, a computer lab, a music practice room, secure parking, a bicycle repair station, and storage. He also indicated that the rent will not exceed \$2,100. Jonathan Astmann explained that the proposed project's funding sources would include a \$12 million loan from the City of Newark, approximately \$10 million from the State, a forgivable federal home loan of \$15,000 per unit, and a loan from federal and state tax credits, which would be the largest source of funding. Jonathan Astmann detailed the proposed development's next phases, which ranged

from the Community Development Advisory Committee (CDAC) review and recommendation through the City Council approval and purchase of the site, which would take place between January and April 2023. He concluded his presentation by outlining the proposed project timeline, which includes property acquisition, design, community engagement, application approval, securing funding, construction drawings, obtaining building permits, starting, and completing construction, and finally reaching 100% occupancy in the units.

SP Carmelisa Lopez turned to the consulting team's Kristy Wang, who assessed the CDAC Review Priorities against the project. Kristy Wang then indicated that she and Paul Peninger assisted the City staff in developing the NOFA and reviewing the SAHA application.

According to their study, Kristy Wang noted that the project would provide a safe, affordable shelter for Newark residents, is compatible with Newark's Housing Element standards, and is consistent with the General Plan's High-Density Residential designation. She went on to say that the project's design is aligned with the City's vision for the community and that both the SAHA developer and the architect have a solid reputation for community-oriented design. She continued by stating that all the units focus on targeting all lower-income households and family units, and the amenities and services on-site that SAHA is proposing would fulfill the needs of families with children. She then discussed the project's economic viability, stating that it is a costly project, but it is within industry standards, and its efficiency in value is now predicted at \$850,000 for every unit at the lower scale with 57 units. She went on to explain that the financial assistance comes from a \$210,000 per unit funded by the city and that SAHA will continue to look for other significant funding sources. She concluded her presentation by adding that Paul and she were available to answer any questions and that, based on their knowledge of the market and industry standards, they believed that the project was excellent and met the priorities of the Affordable Work Plan and the NOFA.

SP Carmelisa Lopez completed their presentation by outlining the Staff's recommendation and requesting that the CDAC make their recommendations to the City Council for financing approval. Staff would just need to sort out loan agreements, which were still being negotiated, and present them to the City Council for final funding approval, likely in March, she stated.

Staff Recommendation: Staff recommends that the CDAC recommend that the City Council approve the allocation of \$12,000,000 from the Housing Impact Fee Fund to Satellite Affordable Housing Associates for an affordable housing project proposed at 6347-6375 Thornton Avenue, submitted in response to the June 2, 2022, Notice of Funding Availability released by the City.

Mayor Hannon expressed his enthusiasm for the project, stating that the City of Newark had accumulated close to a little more than \$30,000,000 in affordable housing fees and that as a council member and a member of the community, he was content collecting that kind of money for later affordable housing, but he wanted to see some units built because of the community's need for affordable housing; thus, he made it a priority for him to move forward that affordable housing needed to be in future developments, so it was great to see a purely affordable housing project being proposed. He recognized that looking at the financials presented to them, it is expensive, but when trying to provide services, especially housing, to the most vulnerable in the community, it comes at a cost; at the end of the day, he said, the City would be providing quality housing for some of the most in-need residents, which is the City's responsibility. Mayor Hannon noted the Homekey Project as well as the SAHA Project presented that night, and how pleased he is to see units being built and converted in the community for most people in need. Finally, he requested from Staff that in the future, when listing priorities, veterans be included, as he noted that they were not and that this group is one of the most vulnerable in the community. He proceeded to pass it on to the rest of the committee members for comments and/or questions.

Member Mathew inquired about the nature of the housing impact fee. Community Development Director (CDD) Steven Turner noted that the City has implemented a set of fees meant to alleviate the impact of projects on the city, such as transportation and parks, and stated that one of the amounts paid is for affordable housing. He went on to say that when development in the city, whether commercial or residential, occurs at market rates, it creates a need for affordable housing in the city, so the city conducted a study of the effect and assigned a monetary value that may be used on a specific percentage for development projects, fees that would be collected during the building permits process based on the development. He stated that the fees collected for those

purposes, including affordable housing, go into a fund, earn interest, and that such fund's value is presented to the City Council on an annual basis. He concluded his explanation by adding that, under the present NOFA, the City and City Council can spend the funds on affordable housing construction.

Member Mathew questioned if those fees are always collected from developers. CDD Turner replied in the affirmative.

Member Mathew asked what the conditions were for Newark residents to apply for affordable housing. CDD Turner explained that the Housing Element has a few policies and programs that promote affordable housing in the community. He went on to say that the City Council participates in the Affordable Housing Work Plan and has requested Staff to investigate the City's local live-work preference ordinance, which would require developers to consider affordable housing for people who live or work in Newark. CDD Turner stated that the local preference legislation has not yet been set and is currently being studied; however, Staff intends to produce one with conditions because there are State and Federal fair housing regulations that must be observed.

Member Mathew inquired whether the affordable housing would be available for rent exclusively, rather than purchase. Mayor Hannon nodded in agreement.

Member Mathew questioned about the anticipated unit average rent charges. Kristy Wang, the Community Collaborative Consultant, projected that the rent would range between \$727.00 and \$2,000.00.

Member Hentschke stated that, as indicated to them, the more units created, the lower the cost, and that there was the option of purchasing the property adjacent to the planned location, therefore he questioned whether the \$12,000,000 request would change or would go away. Based on Kristy Wang of Community Collaborative, adding will increase costs, but it will also cut down on the price per unit, and other finance sources will provide more money as more units are added. She went on to emphasize that while there is a chance that SAHA will ask for more money, the City is unable to guarantee it. Member Hentschke stated that he does not want the deal to fall through. Kristy Wang believes there could be a dialogue, but SAHA is unlikely to concede anything that will end the current deal.

Mayor Hannon said, if they approve the funding, that regardless of what happens to the other two properties the project would be moving forward. Kristy Wang responded positively and added that if there was another option, they would present it back to the Committee for approval.

Member Fitts asked if the traffic studies and community notifications would be done later, based on the project's scale and the potential traffic and parking that the five-story building with most single-family homes around could produce.

CDD Turner responded positively. He then stated that the Community Development Advisory Committee (CDAC) was asked to evaluate the project against the NOFA, whereas the Planning Commission is the City's land use advising body, which would be the body that considers the entitlements application, such as the design review, the CEQA, and any other entitlements of it, which would be submitted later. He stated that no formal application for entitlements has been submitted yet, but that it is expected in late Spring or early Summer, after which Staff will assess the application and proceed through the normal process for these types of projects.

Member Borjon asked if everyone in need of a place to live could apply for housing rather than just Newark residents, considering that the money is coming from the City of Newark.

CDD Turner answered that the leasing units would be open to the public, but if a people who live/work preference is in place, and to be compliant with fair housing regulations, Newark residents or individuals who work in Newark would be given priority for housing.

Mr. Peninger also stated that there will be an affirmative marketing effort to reach out to Newark residents who do not have a live/work policy, which may or may not be implementable in the near future.

Member Borjon inquired whether there was only one proposal received for this project, or if there was another contractor that might do the work.

Ms. Wang stated that for the NOFA development, they had a series of interviews with affordable housing developers to understand their needs and interests, and they took that into account to help the process run smoothly, which was then communicated to

the developers. She noted that when the NOFA was released, they hosted a Q&A session with past interested developers as well as some new ones. She went on to state that they only got the SAHA developer, who had been most excited from the start, and that they are still trying to find out why other developers who appeared to be interested did not apply. She went on to state that she had spoken with one of them, whose office is in San Francisco and does not have a significant presence in the East Bay, and that she feels this is why they did not apply. Furthermore, she stated that they were looking for site control, someone who would come with a signed letter of agreement with an owner, but they elected to go with only one through the RFP method. Still, it could have gone with a request for qualification (RFQ) as a different strategy. She finally stated that they intend to do additional interviews before the release of the second NOFA in the future.

Member Borjon inquired as to where the high-density project would be located.

Mayor Hannon identified the site of a property on Thornton Avenue that had vacant lots on each side of it and lots of cars parked behind it.

Member Borjon inquired as to whether it would be a development in the middle of nowhere.

Mayor Hannon remarked that the remaining two properties would hopefully see future development.

Member Borjon expressed worry over the presence of a high-density property on Cedar Boulevard, as well as the prospect of another one on Thornton Avenue.

Mayor Hannon questioned if the City Council approved a four or five-story structure near City Hall.

The City Council approved a five-story assisted living building of roughly 69 feet, as stated by Deputy Community Development Director (DCDD) Art Interiano. He then explained that the Thornton Avenue properties are single-family homes that are currently being used for commercial purposes. In the rear of the subject site are the Cherry Street Apartments, which are two-story apartments, in the northeast area, there is the Fox Townhomes project, and three blocks down are the three-story Villas Townhomes. Considering that, he added, this neighborhood consists of taller structures,

and it is classified as residential high-density, which means they can be up to 100 feet tall.

As stated by Senior Planner (SP) Carmelisa Lopez, the zoning for the SAHA property is high-density residential, which allows buildings up to 100 feet.

Member Borjon stated that with so many units on Thornton Avenue, the traffic impact could become terrifying.

Mayor Hannon emphasized that, as stated by Commissioner Fitts and CDD Turner, the item would have to go to the Planning Commission, and traffic analysis would be required, which the Planning Commission would need to evaluate its impact.

Commissioner Aguilar stated that it is wonderful to see developers proposing affordable housing with money that the City has been gathering for mitigation issues for almost six years. He questioned what would happen if the City provided the money to a developer but the project never materialized.

Ms. Wang responded that there would be agreements between the City and the developer that would state that if a developer fails to meet their commitments, the City would be able to take possession of the property, and if any deliverables paid with City funds were not met, the City would get the funds back and look for another developer to complete the project.

Commissioner Aguilar questioned the project's competitiveness in going to the State and securing the tax financing credit.

The developer's representative, Jonathan Astmann, walked into the podium and stated that those resources had been accessible for quite some time and that if they were unsuccessful on the first round, they would try again. He also stated that the project is competitive for the funds, and as Mayor Hannon mentioned, there are funds available to benefit veterans as well.

Mayor Hannon indicated that he noticed that veterans were not mentioned in the report that was addressed to Staff, and he wanted to ensure that the City does not lose sight of the importance of assisting veterans.

Member Freitas inquired about the number of buildings intended for the project's proposed site.

Ms. Wang stated that there are now three U-shaped buildings on the sites.

Member Freitas inquired whether there would be three buildings on the planned site and whether they would be built on the other properties to the east and west of it if they were available for purchase.

Ms. Wang explained that the proposed site would only have one building and that if the two additional sites could be added, they would do so later. They would need to see if the owners of those properties would be prepared to sell and put in the effort to gain them, but if not, the project would proceed as planned.

Member Freitas questioned the building's elevation.

Ms. Wang replied that it would be 60 feet tall.

Member Freitas inquired of DCDD Interiano concerning the height of the Villa Townhomes on Thornton Avenue.

DCDD Interiano responded that he could not confirm the full extent of the townhomes' height but that they are three stories and around 30 feet tall.

Member Freitas stated that he is very excited about the project's amenities, which include a bike shop, bike tracks for security, a music and computer lab, and a public garden, and that he has not seen any of those amenities in any of the developments in the area for tenants to enjoy.

Mayor Hannon inquired of Mr. Astmann what was the meaning of the statement on the Staff Report, page 46, where HUD designated the city of Newark as a 2022 difficult development area.

Ms. Wang responded to the question by stating that HUD analyzes statistics to make those designations, which she believes has something to do with the cost of constructing homes in the area. She noted that it cannot be controlled and that it is beneficial to the project since it allows it to request more money per unit from state and federal tax credits.

The Mayor then inquired about the definition of "photovoltaic array" on page 39 of the Staff Report.

Mr. Astmann stated that it means solar panels.

Mayor Hannon inquired of Mr. Astmann whether he had contacted the Housing Authority, Section 8 Housing, for the proposed development regarding base vouchers or vouchers.

Mr. Astmann responded that he had heard from them a week or two ago and that there are no plans to conduct an RFP for project-based vouchers at this time, but that they will follow up later this year.

Mayor Hannon asked Mr. Astmann to make project-based vouchers available for the project and encouraged him to speak with the Alameda County Housing Authority about it.

CDD Turner advised Mayor Hannon that there are two types of Section 8 vouchers: project-based vouchers, such as those recently awarded to Cedar Community Apartments and the developer there, and vouchers that households can obtain. He also stated that SAHA can apply for project-based Section 8 vouchers, which if available, can be applied for those units, or that SAHA would welcome household vouchers if such units were available.

Member Borjon inquired whether it would be more beneficial for the property or the City to consider eminent domain of those two properties rather than building in one and leaving the other two undone.

Mayor Hannon indicated that he is aware that eminent domain can be used if other items, such as street extensions or similar projects, can be completed, and requested CDD Turner or Mr. Peninger to remark on whether this project could be a possibility for eminent domain.

CDD Turner stated that it is a tool accessible to cities that can be used as a last resort when no other options are available and that a property owner would be fairly compensated, but the developer has tried to engage with the property owners to expand the site area to add more units, but people must participate, and if they do not

want to take part there is nothing the developer can do except continue working with them.

Mayor Hannon inquired about the timing for acquiring the remaining two properties before the project is too far along to be expanded to include those two additional sites.

Ms. Wang suggested that it would need to be within the next few months.

CDD Turner explained that the developer is looking into submitting entitlement applications and at some point, they must decide what their project is.

Mayor Hannon inquired if anyone had any further questions or comments. No one had any more questions or comments.

Mayor Hannon made a motion to vote. Member Hentschke moved, and Member Aguilar seconded, to recommend that the City Council approve the allocation of \$12,000,000 from the Housing Impact Fee Fund to Satellite Affordable Housing Associates for an affordable housing project proposed at 6347-6375 Thornton Avenue, submitted in response to the June 2, 2022, Notice of Funding Availability released by the City. **The motion passed with 7 AYES and 2 ABSENT** (Members Lucia and Saksena were absent).

(MOTION)

IV. ADJOURNMENT

Mayor Hannon adjourned the Community Development Advisory Committee meeting at 7:17 pm.



CITY OF NEWARK

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MINUTES

Wednesday, April 5, 2023

6:00 p.m.

I. ROLL CALL

Chairperson Hannon called the meeting to order at 6:04 p.m. Present were members Hentschke, Borjon, Saksena Aguilar, Fitts, Hannon, and Freitas. Committee members Lucia and Mathew were absent.

II. MINUTES

Approval of Minutes of the January 19, 2023, will be considered at the next meeting.

(MOTION)

III. STAFF REPORTS

A. Community Development Block Grant (CDBG) Status Report

(MOTION)

Deputy Community Development Director (DCDD) Art Interiano provided an overview of the Community Development Block Grant (CDBG) funding, highlighting its allocation and history over the past decade.

He noted that Newark receives federal funds through the CDBG annually for projects aimed at low-income communities, such as sidewalk upgrades, housing restoration, and social services.

The City is scheduled to receive \$210,042 in the fiscal year 2023-2024, with access to the funds beginning July 1, 2023.

The Minor Home Repairs Program has seen growth over time, with a decline in completed home repairs during the pandemic.

DCDD Interiano discussed the use of Jurisdictional Improvement funds, particularly for improving citywide ADA compliance, parks, ramps, and parking lots.

The City will receive \$150,884 for Jurisdiction Improvement Funds during the 2023–2024 fiscal year, primarily allocated to Birch Grove Park and Mayhews Landing Park.

Due to insufficient funds and contractor availability, funds from both fiscal years 2023–2024 and 2024–2025 will be combined for these projects.

Senior Engineer (SE) Alex Tat presented upcoming projects, recommending upgrades for Birch Grove Park's curb ramps, walkway repairs, and installation of ADA-compliant ramps.

Staff proposes replacing pathways at Mayhews Landing Park, with an estimated total cost of \$150,000, of which \$110,000 will be allocated to Mayhews Landing Park improvements alone.

Construction for these improvements is expected to begin in spring 2025.

Staff Recommendation: Staff recommends that the Community Development Advisory Committee accept the CDBG Status Report and that the CDAC recommends the City Council allocate Jurisdiction Improvement Funds toward Citywide ADA Compliance Improvements.

Major Hannon encouraged the members of the Committee to ask questions on the CDBG Status Report item.

Member Borjon inquired about how to obtain the Minor Home Repairs funds.

DCDD Interiano clarified that the County administers Newark's Minor Home Repairs funds, and residents apply for them through the County's hotline.

Member Aguilar questioned whether a resident who does not make it into the current year's calendar will have priority in the following year's calendar or if it is reset annually.

DCDD Interiano was unsure of the process but committed to contacting the County for clarification.

Member Saksena asked if there was a specific dollar amount or threshold to qualify for minor home repairs.

DCDD Interiano stated he was unaware of any threshold and would verify and report back on the matter.

Member Saksena inquired whether Newark advertises the availability of the funds administered by the County.

DCDD Interiano explained that the City provides information on its website and through other channels but agreed that more outreach, such as through the Community Newsletter, could be beneficial.

Member Borjon questioned if information about the existence of those funds was published in the City's Community Newsletter because not everyone, especially seniors, is technologically proficient.

DCDD Interiano agreed.

Member Fitts asked why residents go to the County rather than the City to apply for funds.

DCDD Interiano explained the County's role in administering funds due to resource limitations within the City.

Member Saksena questioned the increase in CDBG funding for Newark in the fiscal year 2023-2024.

DCDD Interiano explained the increase is due to population growth, indicating that Newark's population is approaching 50,000, potentially leading to reconsideration of Urban County status.

Member Saksena asked about the criteria for park renovation selection.

(SE) Tat stated that all parks are considered for renovation, with specific plans for improvements outlined, including Jerry Rabber Ash Park.

Major Hannon inquired about properties scheduled for home renovations.

DCDD Interiano clarified that all properties are located within Newark, not outside its boundaries.

Major Hannon asked whether the renovations were loans or grants.

DCDD Interiano confirmed they were grants.

Major Hannon then asked if there were any other questions, and motioned to vote on Item A.

Member Aguilar moved, and Member Fitts seconded to approve the Staff's recommendations on the Community Development Block Grant. **The motion passed unanimously with 7 AYES.**

Major Hannon commended DCDD Interiano for the park presentation and requested that the photographs be shared with the public in the future.

B. Recommendations for 2023-2024 Jurisdiction Improvements Project Funds

(MOTION)

Major Hannon inquired whether there were any questions on Jurisdiction Improvements Project Funds.

Member Fitts questioned if it was more beneficial to complete park renovations due to safety issues as soon as possible to avoid potential liabilities and how they would be prioritized.

Member Borjon inquired about resources allocated for park maintenance, referencing a past vote by Newark citizens, and asked if they were in addition to those from the Jurisdiction Improvement funds.

Major Hannon clarified that Measure GG was passed for the Civic Center project, not specifically for parks.

DCDD Interiano mentioned the investigation into the matter by Public Works.

Mayor Hannon inquired whether the projects had been put out for bid or if Staff planned to do so after that evening's action.

DCDD Interiano explained the merging of fiscal years 2022-2023 and 2023-2024 for accessing funds following CDAC's recommendations and City Council approval, with projects added accordingly.

Member Saksena wondered whether the projects would start in the Spring of 2025 or 2023.

Mayor Hannon clarified the process of combining funds from two years and commencing work accordingly. (SE) Tat highlighted the aim to obtain better unit prices for projects by combining funds.

Member Saksena expressed concern about viewing the project progress due to work beginning in 2025.

DCDD Interiano suggested providing photographs of projects completed in previous fiscal years for reference.

Mayor Hannon underlined the importance of the Committee seeing the results of their efforts and that they allocate funds to be used in a specific manner, consequently it is beneficial for the Committee to witness progress.

Mayor Hannon requested a motion to accept Item B. Member Hentschke moved, and Member Saksena seconded the motion to accept the Jurisdiction Improvements Project Funds. **The motion passed unanimously – 7 AYES.**

C. Affordable Housing Fund Status Report

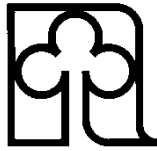
Senior Planner (SE) Carmelisa Lopez highlighted the progress of the SAHA proposal within the Notice of Funding Availability (NOFA) framework. It detailed that the proposal was presented to the CDAC on January 19, 2023, and subsequently recommended for funding approval, which was then approved by the City Council on March 23, 2023. As a result, SAHA was set to receive

\$12,000,000 in funding for the project, with the initial portion allocated for pre-development costs and the remainder for construction. (SE) Lopez mentioned that Staff is in the final stages of preparing loan documents, aiming to execute them by the end of the month along with closing on the property sale. This timeline will enable the beginning of architectural planning, community outreach, and formal application submission to the City by the summer of 2023.

Mayor Hannon provided additional context, expressing expectations that the housing units would likely be constructed around 2024 or 2025. He emphasized the extensive process of securing federal and state funding, noting ongoing efforts to collect affordable housing funds. He emphasized the significance of creating housing units and highlighted the family-oriented nature of the SAHA project, comprising 57 units with two or three bedrooms. Mayor Hannon commended the Committee's initial approval and praised the Staff's dedication, suggesting that subsequent steps were likely to proceed smoothly within the Council.

IV. ADJOURNMENT

Mayor Hannon adjourned the Community Development Advisory Committee meeting at 6:46 p.m.



DATE: May 1, 2024

TO: Community Development Advisory Committee

FROM: Art Interiano, Deputy Community Development Director

SUBJECT: **Community Development Block Grant (CDBG) Status Report FY 24/25**

Newark receives Community Development Block Grant (CDBG) funds as part of the Alameda County Urban County. These are federal funds provided through HUD to jurisdictions with a population of 50,000 or more. To qualify for funds, Newark and other smaller cities have banded together with the unincorporated county to form an entity (the urban county) that is large enough to qualify for funds. The Urban County receives a certain amount of money each year that is determined by Congress's allocation to the CDBG program and a federal formula for dividing the overall funding between qualifying communities. The total funds received by the Urban County are then allocated between member jurisdictions using a formula that considers overall population, poverty levels and similar factors.

Newark's Community Development Block Grant (CDBG) funds for the past 10 fiscal years are shown in the table below, with an estimate shown for next fiscal year. The table also shows their distribution among three categories of uses, which are discussed further below: jurisdiction improvement projects, housing rehabilitation, and general administration. The funds are distributed among the categories based on a formula.

Fiscal Year	Total funds	General Administration	Housing Rehabilitation	Jurisdiction Improvement
2014-15	\$141,038	\$7,800	\$34,181	\$99,057
2015-16	\$151,530	\$7,800	\$36,873	\$106,857
2016-17	\$149,448	\$7,800	\$38,340	\$111,108
2017-18	\$165,509	\$7,800	\$40,459	\$117,250
2018-19	\$188,600	\$7,800	\$46,383	\$134,417
2019-20	\$188,600	\$7,800	\$46,383	\$134,417
2020-2021	\$193,557	\$7,800	\$47,655	\$138,103
2021-2022	\$261,639	\$7,800	\$50,299	\$203,540
2022-2023	\$193,557	\$7,800	\$47,655	\$138,103
2023-2024	\$322,906.16*	\$7,800	\$51,884	\$263,222.16
2024-2025**	\$210,042	\$7,800	\$51,884	\$150,358

*An additional \$112,864.16 was added for program income

**Anticipated amount for the fiscal year

General Administration

The City expects to use all of its administration fund allocations.

Housing Rehabilitation

Housing Rehabilitation program funds minor home repairs. The minor home repair program provides funds for smaller projects, such as replacing water heaters. As per the reports received from Alameda County Housing and Community Development Department, in FY 2023-24, seven minor home repairs have been completed and 6 homes are scheduled for minor home repairs. The report from the County HCD office is attached.

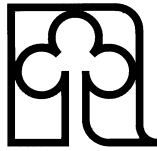
Funds for this program are allocated each year automatically as part of the City's CDBG funds. In addition, in past years when there are long waiting lists, or there are no qualifying capital improvement projects, Newark has provided some additional funding through its jurisdiction improvement program funds and \$7,800 in general administration funds. The table below shows, for each year, the budget for this program and the number of minor home repair projects completed.

Fiscal Year	Formula Funds	Additional funds	Total Funds	Minor Home repair projects* Completed
2014-15	\$36,179	\$0	\$36,179	6
2015-16	\$36,873	\$114,657	\$151,530	2
2016-17	\$38,340	\$0	\$38,340	16
2017-18	\$40,459	\$0	\$40,459	7
2018-2019	\$46,383	\$0	\$46,383	5
2019-2020	\$46,383	\$0	\$46,383	11
2020-2021	\$47,655	\$0	\$46,383	4
2021-2022	\$47,655	\$0	\$46,383	12
2022-2023	\$51,884	\$0	\$51,884	5
2023-2024	\$51,884	\$0	\$51,884	7

Capital Projects Pool Program

The Capital Projects Pool program offers a pool of funds for CDBG capital projects including community facilities, rental rehabilitation, accessory dwelling units, A-1 Bond match and homeowner rehabilitation. Earlier, homeowner rehabilitation used to be funded by Housing rehabilitation funds.

These funds are available to jurisdictions that have a need for additional capital project funds beyond what is allocated through the entitlement process and received through program income. There are currently no funds in the Capital Projects Pool program. It is anticipated that any available funds will be identified by July 1, 2024.



DATE: May 1, 2024

TO: Community Development Advisory Committee

FROM: Art Interiano, Deputy Community Development Director

SUBJECT: **Recommendations for 2024-25 Jurisdiction Improvement Project Funds**

Background/Discussion- The City of Newark's allotment of Community Development Block Grant (CDBG) funds for the 2024-25 fiscal years has been finalized. Every year, the CDAC meets to consider the amount of funds allocated to the city and how to spend those funds on jurisdictional improvements. In terms of the jurisdiction Improvement Program (JIP), the city is expected to receive for the Fiscal Year 2024-2025 an amount of approximately \$150,884 in Newark's JIP funds.

Policies and Guidelines for the use of Jurisdiction Improvement Funds - HUD requires that the funds be used for projects that benefit primarily low- and moderate-income households, senior citizens, or disabled citizens. The city must provide proof of this both when applying for and after completing a project. In the past, Newark's preference has been that CDBG funds should be used for capital improvement projects instead of service projects. Capital improvement projects provide infrastructure with long-term benefits to residents and Newark receives a relatively small amount of CDBG funds, therefore spending these funds on capital projects helps to maximize their benefit.

Recommendations for use of 2024-25 Jurisdiction Improvement Funds - Staff recommends the estimated \$150,884 for jurisdiction improvements projects be allocated to the Citywide ADA Compliance Improvements. This project would address ADA compliance needs at city-owned parks, facilities, and parking lots as identified in the City's Disabled Access Transition Plan. The scope of work could include ADA parking accessibility, pathway and sidewalk repairs, curb ramp installations and upgrades, and other exterior surface improvements. These improvements would provide accessibility benefits for the entire community. Specifically, the city will be looking to spend the FY2024/2025 funds on repairing pathways in Mayhews Landing Park, Birch Grove Park and Musick Park. The repairs would include sidewalks, installing new curb ramps, and upgrading existing curb ramps.

Action – It is recommended that the Community Development Advisory Committee recommend that the City Council allocate the FY2024/2025 Jurisdiction Improvement Funds, in the amount of \$150,884, to Citywide ADA Compliance Improvements.

The Committee's recommendations will be presented to the City Council at its meeting on June 13, 2024.



Update on CDBG FY2023/2024 Funding

**Community Development
Advisory Committee
Meeting**




AGENDA

1. CDBG Annual Funding for FY 23/24
2. Proposed Improvements
3. Next Steps
4. Questions



Urban County

- As part of the Urban County, the city receives funds from the Federal Government through the Community Development Block Grant program to fund various activities including assistance to address the needs of lower-income areas.
- As part of the CDBG program, the city is issued funds on annual basis that may be used for the following programs.
 - Jurisdiction Improvement Projects
 - Housing Rehabilitation
 - General Administration



**ADA Ramp @ Birch
Grove Park**

A photograph of a concrete sidewalk in a park. A large, irregular crack runs diagonally across the foreground sidewalk. Long, dark shadows from trees off-camera stretch across the sidewalk from the right. In the background, there are two low, tan-colored brick walls, a playground with blue and yellow equipment, and some trees under a blue sky with light clouds.

**Trip Hazard @ Birch
Grove Park**



**Trip Hazard @ Mayhews
Landing Park**

A photograph of a park area. In the foreground, a dark asphalt path is heavily cracked and uneven, with some dry grass and twigs scattered on it. To the left of the path is a patch of bright green grass. In the background, there are several large, mature trees with thick trunks. Beyond the trees, a residential street is visible with houses and parked cars. In the far distance, a few people can be seen walking on a path. The scene is brightly lit, suggesting a sunny day.

**Trip Hazard @ Mayhews
Landing Park**



QUESTIONS?



CDBG FY2024/2025 Funding Recommendations

**Community Development
Advisory Committee
Meeting**



AGENDA

1. CDBG Status Report
2. Jurisdictional Improvement Funds
3. Proposed Improvements
4. Staff Recommendation
5. Questions



Urban County

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 - Jurisdiction Improvement Projects
 - Housing Rehabilitation
 - General Administration



CDBG Status Report- 10 Yr. Funding History

Fiscal Year	Total funds	General Administration	Housing Rehabilitation	Jurisdiction Improvement
2015-16	\$151,530	\$7,800	\$36,873	\$106,857
2016-17	\$149,448	\$7,800	\$38,340	\$111,108
2017-18	\$165,509	\$7,800	\$40,459	\$117,250
2018-19	\$188,600	\$7,800	\$46,383	\$134,417
2019-20	\$188,600	\$7,800	\$46,383	\$134,417
2020-2021	\$193,557	\$7,800	\$47,655	\$138,103
2021-2022	\$261,639	\$7,800	\$50,299	\$203,540
2022-2023	\$193,557	\$7,800	\$47,655	\$138,103
2023-2024	\$210,042	\$7,800	\$51,884	\$150,358
2024-2025	\$	\$	\$	\$



Minor Home Repairs-10 Yr. History of Completions

Fiscal Year	Formula Funds	Additional Funds	Total Funds	Minor Home Repairs Completed
2013-14	\$43,032	\$0	\$43,032	14
2014-15	\$36,179	\$0	\$36,179	6
2015-16	\$36,873	\$114,657	\$151,530	2
2016-17	\$38,340	\$0	\$38,340	16
2017-18	\$40,459	\$0	\$40,459	7
2018-19	\$46,383	\$0	\$46,383	5
2019-2020	\$46,383	\$0	\$46,383	11
2020-2021	\$47,655	\$0	\$46,383	4
2021-2022	\$47,655	\$0	\$46,383	12
2022-2023	\$51,884	0	\$51,884	5(based on two quarters)




Jurisdiction Improvement Funds

Staff Recommendation

- Apply funds to the Citywide ADA Compliance Improvement. Address needs at city-wide parks, facilities and parking lots
- Allocate \$150,884 to improvements at Birch Grove Park and Mayhews Landing Park
- 2 Year Approach to Funding Projects





**ADA Ramp @ Birch
Grove Park**

A photograph of a concrete sidewalk in a park. The sidewalk is made of large concrete slabs separated by expansion joints. A prominent, deep crack runs diagonally across the foreground. Large, dark shadows of trees are cast across the sidewalk. In the background, there are two low, tan-colored brick walls, a playground with blue and yellow equipment, and some trees under a blue sky with clouds.

**Trip Hazard @ Birch
Grove Park**



**Trip Hazard @ Mayhews
Landing Park**

A photograph of a park area. In the foreground, a dark asphalt path is heavily cracked and has some dry grass and twigs scattered on it. To the left of the path is a patch of bright green grass. In the background, there are several large trees with thick trunks, some houses, and a few people walking on a distant path. The scene is brightly lit, suggesting a sunny day.

**Trip Hazard @ Mayhews
Landing Park**



RECOMMENDATION

That the Community Development Advisory Committee accept the CDBG Status Report and that the CDAC recommend City Council allocate Jurisdiction Improvements Funds toward Citywide ADA Compliance Improvements



QUESTIONS?