



Legislation Text

File #: Res 2019-75, **Version:** 1

RESOLUTION APPROVING THE AMENDED 2016 ANNUAL ACTION PLAN AS AMENDED

Summary and Background Information:

In 2016, the City became an Entitlement Community and now directly receives funding from the Community Development Block Grant (CDBG). As required by HUD, the City works through its Citizen Participation Plan to determine the allocation of project funds. The final document produced with this procedure is the Annual Action Plan (AAP). The AAP serves as the City's application and plan for the following CDBG funding year. In 2016, the first AAP was adopted as part of the 2016-2020 Consolidated Plan. In 2017, the City was required to amend the 2016 AAP to eliminate the Quebec Sidewalk reallocate funds into the Target Area Sidewalk Project.

Consideration Number One - Amending the 2016 AAP, as amended, to Reallocate Unspent Funds

During the first 30-months of the CDBG Program, the Bus Stop Improvement project was not undertaken for a variety of reasons. The total amount of the unspent 2016 Bus Stop Improvement grant funding was \$30,000. HUD requires CDBG grant funds be spent within certain timeframes. Reallocating the unspent funds will help the City's CDBG Program stay in good standing with HUD.

Current or future CDBG projects may use the unspent funds. The CDBG Office recommends placing all the funds into active 2018 AAP projects to help meet the looming HUD Timeliness Test.

The process to reallocate the funding consists of:

- Citizen participation and input,
- CDBG Team review and recommendations,
- Amending the AAPs
- City Council approval, and
- Submitting the amended AAPs to HUD.

Funding reallocation opportunities were presented at the March 28, 2019 Public Input Meeting. Legal notices in the *Sentinel* and *La Prensa* invited citizens to provide written comments on the funding reallocations and the same information was placed on the City's website. During this time, the CDBG Office sought additional input from citizens through the City's Facebook, Twitter, and Channel 8 platforms. The deadline to receive written comments is June 28, 2019. The public will also have an opportunity to comment on the reallocations at the City Council's regular meeting on July 1, 2019.

Back on May 10, 2019, the CDBG Team evaluated available unspent funding. The CDBG Team recommended the 2018 Minor Home Repair Program receive the \$30,000 from the 2016 Bus Stop

Project. This decision was based on the number of LMI households served, meeting identified community needs, the past success of the projects, and the regulatory limitations on where and what types of projects could receive the funding. Please see the Reallocation Table in the attachments.

Should the City Council approve the funding reallocations, the CDBG Office will submit the necessary amendments to the 2016 AAP to HUD in late July 2019.

Staff Responsible (Department Head): Chris Cramer, Director of Community Development
Staff Member Presenting: Cheryl Steinberg, CDBG Coordinator

Financial Impact: Reallocation funding already awarded to the city.

Funding Source: HUD's CDBG for 2016 AAP

Staff Recommendation: Staff recommends adoption of the amendment to the 2016 AAP, as amended.

Suggested Motion: Move to approve Resolution 2019-75.