

TO: James L. App, City Manager

FROM: Bob Lata, Community Development Director *BL*

SUBJECT: Reallocation of 1997 Community Development Block Grant (CDBG) Funds (Loaves and Fishes)

DATE: March 7, 2000

Needs: For the City Council to consider re-allocating up to \$10,000 in 1997 Community Development Block Grant (CDBG) funds from the Seismic Structural Design Studies Program to the Public Improvements to Low Income Neighborhoods Program in order to construct street improvements in front of Loaves and Fishes' new site at 2650 Spring Street.

- Facts:
1. The following activities were funded with 1997 CDBG moneys:
 - a. Public Improvements to Low Income Neighborhoods\$157,687;
 - b. Seismic Structural Design Studies\$ 36,866;
 - c. Oak Park Recreational Improvements.....\$ 45,000;
 - d. Historic Street Lights in the Downtown\$ 50,000.
 2. In Summer 2000, Loaves and Fishes must vacate their present location in order that the Public Safety Center may be constructed. They will be moving to 2650 Spring Street, where they will build a new facility on a donated vacant lot. Street improvements (curb, gutter, sidewalk and paving) will need to be constructed with the new building.
 3. It is estimated that the cost of design and construction of street improvements in front of 2650 Spring Street will be \$10,000. This amount includes payment of prevailing wages.
 4. There are presently 9 seismic studies in progress. No more design contracts will be executed. It appears that about \$20,000 of the CDBG funds allocated to the Seismic Structural Design Studies Program will not be used.
 5. The purpose of the Public Improvements to Low Income Neighborhoods Program was to install street improvements in neighborhoods where more than 51% of the residents were classified as being "low and moderate income". According to the 1990 US Census, the area north of 24th Street meets this criteria.
 5. The City may reallocate up to 10% of any year's total CDBG allotment among those activities that have already been approved without need to amend the Consolidated Plan or to conduct a public hearing.

Analysis and Conclusion: The proposed reallocation of funds would provide substantial additional assistance to Loaves and Fishes and would be consistent with the original intent of the Public Improvements to Low Income Neighborhoods Program.

Policy Reference: Federal regulations for the Community Development Block Grant Program

Fiscal
Impact: None to the General Fund.

- Options:
- a. Adopt the attached resolution reallocating and appropriating \$10,000 in 1997 CDBG funds from the Seismic Structural Design Study Program to the Public Improvements to Low Income Neighborhoods Program for the purpose of constructing street improvements for Loaves and Fishes
 - b. Amend, modify or reject the proposed activities listed in this report.

Prepared By:



Ed Gallagher
Housing Programs Manager

Attachment: Resolution

ED\CDBG\97\Loaves & Fishes CCR 030700

RESOLUTION NO. 00-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
REALLOCATING AND APPROPRIATING \$10,000 IN 1997 COMMUNITY DEVELOPMENT BLOCK GRANT
(CDBG) FUNDS FROM THE SEISMIC STRUCTURAL DESIGN STUDY PROGRAM TO THE PUBLIC
IMPROVEMENTS FOR LOW INCOME NEIGHBORHOODS PROGRAM

WHEREAS, via Resolution 97-50, the City Council allocated a total of \$361,941 in Community Development Block Grant (CDBG) funds for various programs, which included a Seismic Structural Design Study Program (originally funded at \$86,866 and reduced via Resolution 99-41 to \$36,866) and a Public Improvements to Low Income Neighborhoods Program (funded at \$157,687); and

WHEREAS, it appears that as much as \$20,000 allocated to the Seismic Structural Design Study Program will not be needed for such purposes; and

WHEREAS, Loaves and Fishes, a non-profit organization that provides a variety of services to low income persons, will be constructing a new facility at 2650 Spring Street, for which street improvements (curbs, gutters, sidewalks and paving) will be required; and

WHEREAS, according to the 1990 US Census, more than 51% of the residents of the area north of 24th Street, in which 2650 Spring Street is located, are classified as "low and moderate income", earning 80% or less of the area median income; and

WHEREAS, the Public Improvements to Low Income Neighborhoods Program, as described in Resolution 97-50, was intended to be used to construct street improvements in neighborhoods where 51% or more of the residents are in the low and moderate income category; and

WHEREAS, the cost of constructing street improvements at 2650 Spring Street has been estimated at about \$10,000, which is less than 10% of the total 1997 CDBG allocation of \$361,941;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of El Paso de Robles, California, to approve the reallocation of \$10,000 in 1997 CDBG funds from the Seismic Structural Design Study Program to the Public Improvements to Low Income Neighborhoods Program for the purpose of constructing street improvements in front of Loaves and Fishes' new facility at 2650 Spring Street.

BE IT FURTHER RESOLVED by the City Council of the City of El Paso de Robles, California, to appropriate \$10,000 of the 1997 Community Development Block Grant funding allocation to budget Account # 227-710-5235-211 for design and construction of street improvements in front of 2650 Spring Street.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 7th day of March 2000 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Duane Picanco, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk

