

TO: James L. App, City Manager
 FROM: Ron Whisenand, Community Development Director
 SUBJECT: 2007 Community Development Block Grant (CDBG) Program
 DATE: August 7, 2007

Needs: For the City Council to make budget appropriations for projects to be accomplished with the City's allotment of 2007 Community Development Block Grant (CDBG) funds.

Facts: 1. At its meeting of March 8, the City Council adopted Resolution 07-045 determining that the following activities are to be funded with the City's 2007 allotment of Community Development Block Grant (CDBG) funds:

Therapy Pool Rehab	\$106,629
Women's Shelter	17,000
First Five Commission: Demolition of Building	58,000
LED Crosswalk at 17th & Spring Streets	35,000
Riverside Avenue Sidewalks	5,000
EOC-Senior Health	2,000
EOC-Teen Academic Parenting Program	2,000
TFS Motel Voucher.....	21,000
Literacy Council	2,500
El Camino Homeless Organization	4,000
Big Brothers/Big Sisters	2,500
Caring Callers.....	2,500
PR Fellowship Development (2nd Baptist Church).....	11,258
RSVP Rides for Seniors	3,000
Capacity Building (an administrative use of CDBG funds)	40,000
<u>Administration.....</u>	<u>27,000</u>
Total	339,387

2. Following adoption of Resolution 07-045, the City learned that the U.S. Department of Housing and Community Development approved a 2007 allocation of CDBG funds that was \$1,016 less than expected at the time of adoption of Resolution 07-045.
3. The City expects to soon be notified that the US Department of Housing and Urban Development has approved the County of San Luis Obispo's 2007 One Year Action Plan, which includes the City's proposal for use of 2007 CDBG funds.
4. The City has already budgeted the amount allocated to Administration and Capacity Building (administrative activities), but needs to make appropriations for the non-administrative projects.

Analysis and Conclusion: Federal regulations provide that no more than 15% of any year's allocation of CDBG funds may be used for public services. The reduction in the 2007 CDBG allocation by \$1,016 necessarily will reduce the amount of funds allocated to public services by \$152. The remaining \$864 (of the \$1,016) could be taken from one or more of the allocations to public

facilities projects. To adjust the allocations approved by Resolution 07-045 to account for the \$1,016 reduction in available 2007 CDBG funds, the following adjustments are suggested:

- Reduce the Therapy Pool Rehab activity by \$864 to \$105,765;
- Reduce the PR Fellowship Development activity by \$152 to \$11,106;
- All other allocations will remain the same.

Policy

Reference: Federal regulations for the Community Development Block Grant Program

Fiscal

Impact: Participation in the federal CDBG Program has involved and will continue to demand a commitment of staff resources. Utilizing CDBG funds for the allowable administrative expenses avoids adverse impacts on the City's General Fund.

Options:

- a. Adopt Resolution 07-XXX to allocate the City's allotment of 2007 CDBG funds.
- b. Amend, modify or reject the foregoing option.

Prepared By:

Ed Gallagher
City Planner

Attachment: Resolution Appropriating 2007 CDBG Funds

ED\CDBG\07\APPROPRIATION CCR 080707

RESOLUTION NO. 07-XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
APPROPRIATING 2007 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

WHEREAS, at its meeting of March 8, 2007, the City Council of the City of El Paso de Robles (City) adopted Resolution 07-045 determining that the following activities were to be funded with the City's 2007 allotment of Community Development Block Grant (CDBG) funds:

Therapy Pool Rehab	\$106,629
Women's Shelter.....	17,000
First Five Commission: Demolition of Building.....	58,000
LED Crosswalk at 17th & Spring Streets.....	35,000
Riverside Avenue Sidewalks	5,000
EOC-Senior Health	2,000
EOC-Teen Academic Parenting Program.....	2,000
TFS Motel Voucher	21,000
Literacy Council.....	2,500
El Camino Homeless Organization.....	4,000
Big Brothers/Big Sisters.....	2,500
Caring Callers	2,500
PR Fellowship Development (2nd Baptist Church)	11,258
RSVP Rides for Seniors	3,000
Capacity Building (an administrative use of CDBG funds).....	40,000
<u>Administration.....</u>	<u>27,000</u>
Total	339,387

WHEREAS, following adoption of Resolution 07-045, the City learned that the U.S. Department of Housing and Community Development approved a 2007 allocation of CDBG funds that was \$1,016 less than expected at the time of adoption of Resolution 07-045; and

WHEREAS, to adjust the allocations approved by Resolution 07-045 to account for the \$1,016 reduction in available 2007 CDBG funds, the following adjustments were recommended:

- The Therapy Pool Rehab activity would be reduced by \$864 to \$105,765;
- PR Fellowship Development would be reduced by \$152 to \$11,106;
- All other allocations will remain the same; and

WHEREAS, the City has already budgeted the amount allocated to Administration and Capacity Building (administrative activities);

NOW, THEREFORE, BE IT RESOLVED, by City Council of the City of El Paso de Robles that a budget appropriation is approved for the non-administrative 2007 CDBG-funded activities as follows:

- a. \$105,800 for the Therapy Pool Rehabilitation is appropriated to Account No. 227-910-5452-487;
- b. \$17,000 for the Women's Shelter Rehabilitation is appropriated to Account No. 227-710-5235-785;

- c. \$58,000 for the First Five Commission: Demolition is appropriated to Account No. 227-710-5235-548;
- d. \$35,000 for the LED Crosswalk at 17th & Spring Streets is appropriated to Account No. 227-910-5452-799;
- e. \$5,000 for the Riverside Avenue Sidewalks is appropriated to Account No. 227-910-5452-430;
- f. A total of \$50,600 is appropriated to Account No. 227-710-5235-211 for the following activities:

EOC-Senior Health	2,000
EOC-Teen Academic Parenting Program.....	2,000
TFS Motel Voucher	21,000
Literacy Council.....	2,500
El Camino Homeless Organization.....	4,000
Big Brothers/Big Sisters.....	2,500
Caring Callers	2,500
PR Fellowship Development (2nd Baptist Church)	11,100
<u>RSVP Rides for Seniors</u>	<u>3,000</u>
Total.....	<u>\$ 50,600</u>

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 7th day of August 2007 by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Deborah D. Robinson, Deputy City Clerk