

RESOLUTION NO. 96-38

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DETERMINING THOSE PROJECTS TO BE FUNDED WITH THE CITY'S ALLOTMENT OF 1996 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS AND RECOMMENDING THAT THE BOARD OF SUPERVISORS FOR THE COUNTY OF SAN LUIS OBISPO APPROVE THE 1996 DRAFT CONSOLIDATED PLAN UPDATE WITH REGARD TO PROJECTS TO BE FUNDED WITH HOME INVESTMENT PARTNERSHIP FUNDS

WHEREAS, the City has been notified by the Federal Department of Housing and Urban Development (HUD) that it is entitled to receive Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) funds; and

WHEREAS, via a Cooperation Agreement with the County of San Luis Obispo (hereafter referred to as "County") executed on July 7, 1993, the City waived its individual entitlement status for a period of three years in order that the County and the cities located therein may qualify as an "Urban County"; and

WHEREAS, via the Cooperation Agreement, the City retains the authority to determine which projects are to be funded with its allotment of CDBG funds and has the ability to negotiate with the Board of Supervisors regarding which projects are to be funded with HOME funds; and

WHEREAS, the 1995 Consolidated Plan adopted by the Board of Supervisors of San Luis Obispo County on May 9, 1995 included Part IV - One -Year Action Plan, which must be updated annually to indicate which projects and programs will receive CDBG and HOME funding each year; and

WHEREAS, the City expects to receive \$264,138 in entitlement CDBG funds in 1995 and, since approval of the 1995 CDBG entitlement allotment, has received \$54,600 in CDBG "program income" in the form of repaid residential rehabilitation loans from previous CDBG grants from the State's Small Cities Program; and

WHEREAS, on January 3, 1996, the urban county conducted a public hearing in Paso Robles for residents of the City and of northern San Luis Obispo County to ascertain the housing and community development needs to be addressed in the Consolidated Plan; and

WHEREAS, on January 5, 1996, the urban county published a "Request for Proposals" for projects to be funded under the 1996 CDBG and HOME Programs, which provided that proposals were to be submitted by January 31, 1996; and

WHEREAS, on February 27, 1996, the urban county released a Public Review Draft Consolidated Plan Update (of Part IV - One-Year Action Plan), which indicated those projects to be proposed to receive CDBG and HOME funds in 1996; and

WHEREAS, at its meeting of April 2, 1996, the City Council conducted a public hearing to obtain public testimony on the proposed Draft Consolidated Plan Update;

NOW, THEREFORE, BE IT FOUND, by the City Council of the City of El Paso De Robles, California, that the Draft Consolidated Plan Update, which proposes that the 70 percent of the City's non-administrative CDBG funds be allocated to a Low Income Housing Assistance meets the National Objective of providing benefit to low income persons; and

BE IT FURTHER FOUND, by the City Council of the City of El Paso De Robles, California, that the Draft Consolidated Plan Update, which proposes that the 30 percent of non-administrative CDBG funds be allocated to the Seismic Structural Design Study Program meets the National Objective of eliminating slums and/or blight; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of El Paso De Robles, California, to recommend that the Board of Supervisors for the County of San Luis Obispo adopt the 1996 Draft Consolidated Plan Update, consisting of a revision to Part IV - One Year Action Plan, a copy of which shall be kept on file in the Community Development Department, which shall include the following programs to be funded with the City's allotment of CDBG funds:

1. **Low Income Housing Assistance Program: \$178,498.** This program is proposed to be an umbrella program for a variety of forms of assistance to developers and purchasers of housing that is reserved for occupancy by low income households (as defined by HUD) on a City-wide basis. Assistance would be in the form of loans (below-market rate interest, deferred payment) or grants for such expenses as site acquisition, off-site improvements (e.g. curb, gutter, sidewalk and street lights), construction of new housing by Community Based Development Organizations (as defined by 24 CFR 570.204 of Federal CDBG Regulations), and first-time homebuyer assistance (e.g. second mortgages for downpayment and closing cost assistance, assuming that such use of CDBG funds is re-authorized by Congress).

This program shall include a commitment by the City Council to award \$70,500 to the proposed YouthBuild Project to construct 4 new low income rental dwelling units on a site located between Oak and Vine Streets, approximately 100 feet south of 30th Street, subject to the following conditions: (1) that a pro forma cost analysis be submitted to the City in order to determine the actual amount of CDBG funds that are necessary and appropriate for this project (which may be more or less than \$70,500); (2) that affordability restrictions be recorded against the property to ensure that units remain affordable to low income

households for a period of at least 10 years; and (3) that if YouthBuild proposes to use CDBG funds for new construction costs, that it form a Community Based Development Organizations as defined by 24 CFR 570.204.

2. **Seismic Structural Design Study Grants: \$76,500.** This program is a continuation of that program initiated in 1995 with \$74,000 in CDBG funds. Funds will be used for grants to the owners of commercial unreinforced masonry buildings, most of which are located downtown, for the preparation of seismic structural design studies.
3. **Capacity Building: \$31,870.** An administrative activity which consists of City staff work on the various housing programs listed in the Housing Element of the General Plan.
4. **Grant Administration: \$31,870.** Grant administration consists primarily of staff time managing CDBG-funded projects.

PASSED AND ADOPTED THIS 2nd day of April, 1996 by the following roll call vote:

AYES: Picanco, Iversen, Martin, Heggarty, Macklin

NOES: None

ABSENT: None

ABSTAIN: None


MAYOR WALTER J. MACKLIN

ATTEST:


RICHARD J. RAMIREZ, CITY CLERK

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