

Legislation Details (With Text)

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Attachments:	1. Substantial Amendment to FY 14 and FY 15 Action Plans				

Date	Ver.	Action By	Action	Result
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City Council

MEETING DATE: 12/14/2016

TITLE:

Substantial Amendment to the Community Development Block Grant (CDBG) Fiscal Year 2014-2015 and 2015-2016 Annual Action Plans

FROM:

John A. Corella, P.E., City Engineer

RECOMMENDATION:

Staff recommends the City Council approve a Substantial Amendment to the Fiscal Year 2014-2015 and 2015-2016 Annual Action Plans to program left over and unallocated funds to the Whitewater Neighborhood Street Improvement Project (Project); and, authorize the City Manager (or his designee) to submit the Substantial Amendment to the U.S. Department of Housing and Urban Development (HUD) for their review and record.

BACKGROUND:

Each year, the City submits to the U.S. Department of Housing and Urban Development (HUD) a One-Year Action Plan that describes the activities and the financial resources it will use to meet the City's affordable housing and community development needs.

When a substantial change (programmatic or financial) is proposed to any activity within the Annual Action Plan, HUD requires the City to draft and submit a Substantial Amendment describing the changes. HUD also requires the City to conduct a public hearing to allow the public an opportunity to comment on the proposed substantial change.

DISCUSSION:

The City is recommending a Substantial Amendment to its Fiscal Year (FY) 2014-15 and 2015-16 Community Development Block Grant (CDBG) Annual Action Plans to program the unallocated funds leftover from previous projects that have been completed within these fiscal years. These funds have accumulated over the span of two years as a result of the City receiving project bids at amounts less than the engineer's estimated cost. The City is proposing to combine the leftover monies from the FY 2014-15 and 2015-16 CDBG awards to fund a public improvement Project that will benefit low and moderate income residents.

The Whitewater Neighborhood Project, as described in this Staff Report, are residential streets generally located in the low and moderate income area of Census Tract 449.15 (Block Group 1) south of Ramon Road, north of Corral Road, between Date Palm Drive and Cathedral Canyon Drive. The specific streets City Staff is planning on improving with these funds, combined with Assessment District funds, are Canyon Vista Road, Monte Vista Road, Aurora Vista Road, Desert Vista Road, Cielo Vista Road and Rancho Vista Road.

The Substantial Amendment will allow for adjustments to the Annual Action Plans so that this Project is properly accounted for within the fiscal year in which the federal funds were made available and program dollars to the new activity that were not previously mentioned in the Action Plans.

The proposed Substantial Amendment will:

- Program approximately \$218,425.52 of the remaining funds from the FY 2014-15 Action Plan to the Whitewater Neighborhood Street Improvements; and,
- Program approximately \$27,097.22 of the remaining funds from the FY 2015-16 Action Plan to the Whitewater Neighborhood Street Improvements; and,
- Utilize the originally programmed funding of the Ortega Road Sidewalk Design in the amount of \$12,000 towards the construction cost of implementing the aforementioned public improvements located in the same neighborhood.

The approval of the Substantial Amendment to the FY 2014-15 and 2015-16 Annual Action Plans will allow the City to reconstruct residential roads in an income-eligible neighborhood of the City. The undertaking of this Project meets one of HUD's National Objectives: benefitting low-and moderate income people and area.

City Engineering Staff is preparing plans and will bid out the Project in January 2017. Once the bids are received, Staff will request approval from the City Council to expend these funds and complete the construction portion of the Project.

ENVIRONMENTAL ANALYSIS:

In accordance with 24 CFR 58 of the National Environmental Protection Act (NEPA), each project that is provided assistance with federal funds must be evaluated to determine whether they are subject to environmental regulations. The environmental review of the proposed Whitewater Neighborhood Street Improvements will be prepared and uploaded onto the HUD Environmental

Review Online System (HEROS) once the Substantial Amendment has been approved by City Council.

PUBLIC NOTIFICATION:

When a substantial change (i.e. adding an activity, canceling an activity or redirecting funds) is proposed to the City Action Plan, the City requires that the public be notified and a public hearing be held to allow the public an opportunity to comment on the proposed substantial changes.

City staff published a public notice announcing these amendments in the November 11th and November 25th edition of the Desert Sun. The public notice period ran from November 14, 2016 through December 14, 2016 (for 30 days). During this public notice period, Cathedral City residents were encouraged to participate and provide feedback regarding the Substantial Amendment and reallocation of funds.

FISCAL IMPACT:

Approval of the Substantial Amendment will have no adverse fiscal impact to the City's General Fund. The City will program \$245,522.74 in unallocated (floating) Community Development Block Grant (CDBG) funds left over from previously completed projects to the Whitewater Neighborhood Street Improvements. The City will also utilize the \$12,000 originally budgeted for the engineering design of this project towards the construction for a total project amount of \$257,522.74.

Program Year	Project (from)	Project Funding	Project (to)	Project Funding
FY 14/15	Unallocated Balance	\$218,425.52	Whitewater Neighborhood Street Improvements	\$218,425.52
FY 15/16	Unallocated Balance	\$27,097.22	Whitewater Neighborhood Street Improvements	\$27,097.22
FY 15/16	Ortega Road Sidewalk Design	\$12,000	Whitewater Neighborhood Street Improvements	\$12,000
Total				\$257,522.74

ATTACHMENTS:

Substantial Amendment to FY 2014 and 2015 Action Plans