

SCHEDULED MATTER

SUBJECT: REVISED CDBG 2013/2014 ACTION PLAN

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: At the May 7, 2013, City Council meeting, the Council held a public hearing to consider the adoption of the 2013/2014 Annual Action Plan, which is the expenditure plan for the City's use of the annual CDBG entitlement. The funding amount presented to the Council for consideration was based on the best available information provided by the U.S. Department of Housing and Urban Development (HUD) in anticipation of cuts issued by the Federal Government through the sequestration process. The anticipated allocation was \$620,694, which was 5% less than originally anticipated.

On May 29, 2013, HUD's Office of Community Planning and Development CPD announced the formula funding allocations for FY 2013. This announcement came after the due date of May 15, 2013 for submittal of the Action Plan to HUD. Therefore, those grantees that had previously submitted their Action Plans to the San Francisco Office and of which are currently under review will need to revise their Action Plans to ensure that it reflects their actual allocations, rather than estimated funding levels. Therefore, the Action Plan must be resubmitted using the actual amounts. The Consolidated Plan regulations do not require any citizen participation/substantial amendment process for a plan that has not yet been approved. The grantee can unilaterally revise its plan, while it is under the San Francisco CPD Offices' review, to match its allocation amounts.

The annual entitlement amount is \$717,586, which is \$96,892 more than the anticipated \$620,694 that the plan was based on. The change in entitlement has necessitated an amendment to the 2013/2014 Annual Action Plan.

The table below provides an overview of the proposed entitlement funding revised allocation plus the funds available from previous years' unexpended entitlement and program income, plus anticipated program income for the fiscal year. In short, the additional funds are proposed to be allocated to the Santa Fe School Facility Project to replace the Gym floor as previously discussed, and the Park Improvement Project to fund improvements at Murry and/or Lime Street parks. The Continuum of Care on Homelessness has requested \$5,000 to continue to provide services to the less fortunate and the homeless. This is a new program that could only be funded through the City's Community Service budget, which is capped at 15% of the annual entitlement and annual program income. This budget has always funded the City's youth center, which, like other funding, has experienced reductions in budget allocation due to reduction in the City's Entitlement. A few years ago the City, through the adoption of the expenditure plan, approved allocating \$15,000 of the Community Service funds to the Shelter

Plus Care Program for the Homeless. Reallocating an additional \$5,000 away from the youth center will continue a trend of reducing the funding and staff feels the youth center should have priority for these funds to ensure the continued success of this program that benefits our youth. If the City's CDBG Entitlement funds become stable from year to year and are increasing, staff would be more favorable to this allocation and would consider it in the future.

PROPOSED CDBG BUDGET

2013/14 ACTION PLAN - REVISED

PROGRAM	2013-2014 Entitlement Allocation \$717,586	Anticipated Program Income 13/14	Expected carry over	Estimated Total Program Funds Available for 2013/2014
Administration	\$158,000 (17.3% of Entitlement (\$124,142)+ 20% of anticipated program income of \$158,000 (\$33,804)	\$0	\$0	\$158,000
City -Operated Youth Center	\$106,499 Part of 15% Public Service	\$0	\$0	\$106,499
Shelter Plus Care Program for the Homeless	\$15,000 Part of 15% Public Service	\$0	\$0	\$15,000
Continuum of Care*	\$5,000	\$0		\$5,000
First Time Low Income Homebuyer	\$0	\$20,000	\$112,684	\$132,684
Homebuyer Education Program	\$0	\$0	\$2,000	\$2,000
Owner Occupied Housing Rehab	\$0	\$11,000	\$39,300 En \$95,500 PI	\$145,800
Parks Improvement (Murry and Lime Street)**	\$56,892	\$0	\$39,637	\$96,529
Neighborhood Improvement Program	\$0	\$0	\$0	\$0
Business Assistance Program	\$0	\$138,022	\$569,662	\$569,662
Santa Fe School Facility Project	\$40,000	\$0	\$0	\$40,000
Section 108 Debt Service	\$341,195.	\$0	\$0	\$341,195
<b>Total</b>	<b>\$717,586</b>	<b>\$169,022</b>	<b>\$858,783</b>	<b>\$1,607,369</b>

\*If approved, this amount would be paid from the \$56,892 allocated to Parks Improvement

\*\*Murry Park funds carryover. Lime Street funds have been expended

**NOTE: SEE PROPOSED CHANGES TO CDBG 2013/2014 BUDGET**

(see Attachment 1)

RECOMMENDATIONS: That the City Council:

1. Consider the request by the Continuum of Care for \$5,000 allocation to continue to provide services to the homeless;
2. Adopt the Revised 2013/14 Revised Action Plan resolution of approval reflecting \$717,586 in Entitlement allocation; and
3. Authorize the City Manager to execute all necessary documents.

ATTACHMENTS:

1. Revised Proposed CDGB Budget
2. Resolution

**PROPOSED CDBG BUDGET PY 2013-2014**

3-Jul-13

PROGRAM	2013-2014 Entitlement Allocation \$620,694 @ 5% Reduction	2013-2014 Entitlement Allocation \$717,586 REVISED	Anticipated Program Income	Expected Carry-Over	Estimated Total Program Funds Available
Administration	\$158,000.00	\$158,000.00	\$0.00	\$0.00	\$158,000.00
City Operated Youth Center	\$106,499.00	\$106,499.00	\$0.00	\$0.00	\$106,499.00
Shelter+Care	\$15,000.00	\$15,000.00	\$0.00	\$0.00	\$15,000.00
Continuum of Care **	\$0.00	\$5,000.00	\$0.00	\$0.00	\$0.00
FTHB Program	\$0.00	\$0.00	\$20,000.00	\$112,684.00	\$132,684.00
HPRP Program	\$0.00	\$0.00	\$11,000.00	\$145,800.00	\$145,800.00
Homebuyer Education	\$0.00	\$0.00	\$0.00	(Old Ent. \$39,300 & \$95,500 PI)	\$2,000.00
Parks Improv. Program **	\$0.00	\$56,892.00	\$0.00	\$39,637.00	\$96,529.00
Neighborhood Imp. Program	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Business Assistance Prog.	\$0.00	\$0.00	\$138,022.00	\$569,662.00	\$569,662.00
Section 108 Debt Service	\$341,195.00	\$341,195.00	\$0.00	(\$167,000 from Neigh. Imp)	\$341,195.00
Santa Fe School Facility Imp. Program	\$0.00	\$40,000.00	\$0.00	\$0.00	\$40,000.00
<b>TOTAL</b>	<b>\$620,694.00</b>	<b>\$717,586.00</b>	<b>\$169,022.00</b>	<b>\$869,783.00</b>	<b>\$1,607,369.00</b>

\*\* Please note that the \$5,000 amount is being requested by the Continuum of Care on Homelessness. If approved, the allocation would be reduced the Parks Improvement Program by \$5,000.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
PORTERVILLE APPROVING THE REVISED 2013/2014 ACTION PLAN  
PROPOSED USE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

BE IT HEREBY RESOLVED, that the City Council of the City of Porterville does hereby approve the 2013/2014 Amended Action Plan Allocations, and proposed use of Community Development Block Grant Funds with a 2013 Program Year Entitlement Allocation as follows:

Administration	\$158,000
City-Operated Youth Center	\$106,499
Shelter Plus Care Voucher Program	\$ 15,000
Parks Improvement Program	\$ 56,892
Santa Fe School Facility Improvement Program	\$ 40,000
Section 108 Debt Service	<u>\$341,195</u>
Total Funding:	\$717,586

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Virginia R. Gurrola, Mayor

ATTEST:

John D. Lollis, City Clerk

By \_\_\_\_\_  
Patrice Hildreth, Chief Deputy City Clerk

**ATTACHMENT NO. 2**