



Monterey County

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Board Report

Legistar File Number: 16-410

May 10, 2016

Introduced: 3/31/2016

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

- a. Conduct a Public Hearing to take comments on a proposed Substantial Amendment to the Urban County FY 15-16 Action Plan for expenditure of Community Development Block Grant (CDBG) funds;
- b. Increase revenue in Fund 013, Economic Development Budget Unit 1070, Organizational Unit 8200 (Community Development Grants) by \$53,000 (4/5th vote required);
- c. Amend the Urban County FY 15-16 Action Plan to increase funding in the amount of \$53,000 for ADA improvements to the City of Del Rey Oaks' City Hall project;
- d. Authorize the Director of the Economic Development Department to submit the Substantial Amendment to the Urban County FY 15-16 Action Plan to the U.S. Department of Housing and Urban Development (HUD);
- e. Authorize the Director of Economic Development to execute an Amendment to the Subrecipient Agreement with the City of Del Rey Oaks to implement these changes to the Urban County FY 15-16 Action Plan; and,
- f. Authorize the Auditor-Controller to amend the FY 2015-16 Economic Development Budget Unit 1070, Fund 013, Appropriation Unit DEO003, Organizational Unit 8200, to increase revenues by \$53,000 (4/5th vote required).

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Conduct a Public Hearing to take comments on a proposed Substantial Amendment to the Urban County FY 15-16 Action Plan for expenditure of Community Development Block Grant (CDBG) funds;
- b. Increase revenue in Fund 013, Economic Development Budget Unit 1070, Organizational Unit 8200 (Community Development Grants) by \$53,000 (4/5th vote required);
- c. Amend the Urban County FY 15-16 Action Plan to increase funding in the amount of \$53,000 for ADA improvements to the City of Del Rey Oaks' City Hall project;
- d. Authorize the Director of the Economic Development Department to submit the Substantial Amendment to the Urban County FY 15-16 Action Plan to the U.S. Department of Housing and Urban Development (HUD);
- e. Authorize the Director of Economic Development to execute an Amendment to the Subrecipient Agreement with the City of Del Rey Oaks to implement these changes to the Urban County FY 15-16 Action Plan; and,
- f. Authorize the Auditor-Controller to amend the FY 2015-16 Economic Development Budget Unit 1070, Fund 013, Appropriation Unit DEO003, Organizational Unit 8200, to increase revenues by \$53,000 (4/5th vote required).

SUMMARY:

The U.S. Department of Housing and Urban Development (HUD) qualified unincorporated

Monterey County and the Cities of Del Rey Oaks (“Del Rey Oaks”) and Gonzales as an Urban County, FY 15-16, for entitlement purposes. Prior to participating in the Monterey County Urban County, Del Rey Oaks independently received CDBG funds through the State of California. Through its independent CDBG program, Del Rey Oaks received additional Program Income in the amount of \$53,000 in FY 15-16; it seeks to utilize those funds to fund the previously-approved Urban County project of ADA improvement of its City Hall, as permitted by Urban County rules.

The recommended action will increase revenue and appropriations in the Urban County account to accept the additional Program Income and will authorize the Director of Economic Development to amend the Urban County Subrecipient Agreement with Del Rey Oaks to allocate the additional funds to ADA improvement of the Del Rey Oaks City Hall. These actions require a Substantial Amendment to the Urban County FY 15-16 Action Plan previously submitted to HUD to reflect the increased allocation to this project.

DISCUSSION:

Each year, HUD recipients are required to submit an Action Plan to HUD which includes approved funding recommendations for CDBG projects, services, and administration. After meeting all required notice and public review requirements, the Board approved the FY 15-16 Action Plan on May 12, 2015. HUD subsequently approved it on June 30, 2015. The Board subsequently held a public hearing on October 20, 2015 to approve a Substantial Amendment to the Action Plan to change the City of Gonzales’ project

The proposed Substantial Amendment is necessary to recognize CDBG Program Income independently received by Del Rey Oaks, through its prior CDBG grant from the State of California, and to deposit that Program Income with the Urban County. The City of Del Rey Oaks is proposing to use the additional funding to continue making ADA improvements to its City Hall.

It is recommended that the Board of Supervisors conduct a public hearing in regard to a second Substantial Amendment to the FY 15-16 Action Plan based upon these changes in funding availability. The purpose of the public hearing is to receive comments on the proposed Substantial Amendment. In the absence of evidence and testimony to the contrary, it is recommended that the Board of Supervisors approve the Substantial Amendment and authorize the Director of the Economic Development Department to submit it to HUD.

Further, it is recommended that the Director of Economic Development be authorized to sign an amendment to the Urban County Subrecipient Agreement executed with Del Rey Oaks to reflect this increase in funding. The Urban County Subrecipient Agreement will also be amended to extend time for completion of the City Hall ADA improvement project by six (6) months and to expand the scope of the project to include sidewalk improvements.

The Substantial Amendment as recommended above is attached hereto.

OTHER AGENCY INVOLVEMENT:

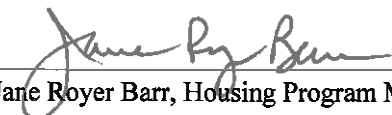
The City of Del Rey Oaks concurs with the requested Substantial Amendment. County Counsel has reviewed the Substantial Amendment and the amendment to the Subrecipient Agreement with

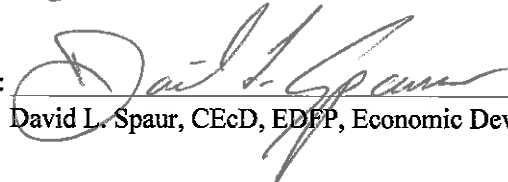
Del Rey Oaks as to form.

FINANCING:

The recommend action will increase revenue for FY 2015-16 by \$53,000 in Fund 013, Economic Development Budget Unit 1070, Appropriation Unit DEO003, Organizational Unit 8200 (Community Development Grants) to recognize the additional Program Income. These additional funds are budgeted and will be spent in FY 2016-17.

There is no impact to the General Fund 001 as a result of this Board Report. All funds are within Fund 013.

Prepared by: 
Jane Royer Barr, Housing Program Manager, Ex. 5389

Approved by: 
David L. Spaur, CEcD, EDPP, Economic Development Director, Ext. 5387

Attachments:

- FY2015-16 First Amended Action Plan
 - FY2015-16 Second Amended Action Plan - Proposed
 - Del Rey Oaks Subrecipient Agreement
 - Del Rey Oaks Subrecipient Agreement Amendment 1
- (Attachments are on file with the Clerk of the Board)