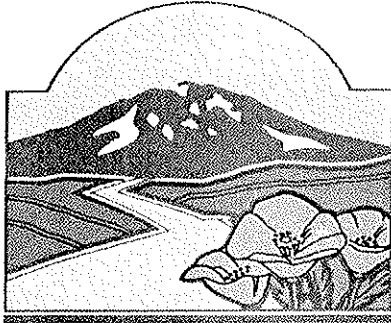


CITY OF
ANDERSON



AGENDA ITEM

June 15, 2010 City Council Meeting

Approved for Submittal By:

Dana Shigley, City Manager

To Be Presented By:

Juanita Barnett, City Clerk

To: Honorable Mayor and Members of the City Council

Through: Dana Shigley, City Manager
Telephone 378-6646

From: Juanita Barnett, City Clerk
Telephone 378-6646

Date: June 15, 2010

SUBJECT

Public Hearing - Application to the California Department of Housing and Community Development for a Community Development Block Grant

RECOMMENDATION

The City Clerk recommends that the City Council:

1. Direct the City Clerk to read the published public hearing notice.
2. Conduct the public hearing.
3. Subject to testimony received at the public hearing, adopt a resolution approving an application for a Community Development Block Grant for a citywide owner-occupied housing rehabilitation program that will also include providing grants for lateral connections for low-moderate income property owners in the Bellevue Waterline Project area, and a 10% set-aside project, and authorizing the execution of a grant agreement and any amendments thereto with the State of California for the purposes of this grant.

FISCAL IMPACT

The proposed application is for CDBG funding in an amount of \$400,000. The grant funds would be used to fund lateral connections in the Bellevue Waterline project area for low-moderate income families, to provide for owner-occupied housing rehabilitation, plus the 10% set-aside portion would be help fund our current Code Enforcement position. The grant requires a local match, as detailed below.

DISCUSSION and BACKGROUND

The application under consideration is for the 2010/2011 CDBG General Allocation funding cycle. As part of the application process, the City conducted public hearings on March 31, 2010 and May 4, 2010, to get public input on potential uses for these funds. Tonight the Council will conduct a third public hearing to approve the application, which is due June 25, 2010.

In the past, the City has applied for and received many grants under the CDBG General Allocation Program. Examples include water system improvements along Howard Street, construction of the Teen Center, water system extension to the Breckenridge Lane area, down payment assistance program, and continued funding of our housing rehabilitation program. In 2009, HCD approved a grant to extend water service to the Bellevue/Loop/Alexander area under a special ARRA-funded CDBG allocation. For 2010/2011, HCD has approximately \$24 million available statewide and anticipates funding the most competitive applications.

Please note that our original consideration was for a public works improvement project providing drainage, curbs, gutters, sidewalks, and street lighting, and a Rental Rehabilitation program in the Bruce Street area. That proposed project was noticed in the Anderson Valley Post on June 2, 2010. Due to the short turn around time for the application to be submitted we determined there was not enough time to effectively put together an application for this project. We would like to spend more time developing this project idea and bring it back for inclusion in a grant application sometime in the future.

For now, we are proposing an application for funding lateral connections in the Bellevue Waterline Project area for low-moderate income families and for citywide housing rehabilitation funds. This proposal was published in the Valley Post on June 9, 2010.

As you know we were recently awarded a grant to install the Bellevue Waterline Project. However, that project takes the waterline to the property line only and does not include connecting the residents to the City's water system. If awarded this grant, it will allow us to use the grant funds to assist low-moderate income families in that area to get their water connected to the City's system by providing for lateral installation and hook-up. We believe that these programs will score well and are requesting approval from the Council to proceed with the application.

Housing Rehabilitation

The application includes \$267,300 for a citywide owner-occupied rehabilitation program aimed at participants who meet low-income qualifications. Participants may apply for a loan up to \$50,000. In addition, participants may receive up to \$7,500 in grants for weatherization improvements (weather stripping, windows, doors, etc.). Additionally, property owners in the Bellevue Waterline Project area who are part of the Targeted Income Group, low-moderate income level, may apply for a grant up to \$7,500 to assist with waterline lateral installation. Loan payments will be deferred until the property is either sold or transferred and will carry a 0% interest rate. The City is committing \$2,000 in building permit fee waivers to this program.

Set-Aside Project

CDBG allows up to 10% of the activity amount to be set aside for any eligible project. We are proposing to apply for \$40,000 to assist in funding our Code Enforcement Officer position.

Grant Match

The City is proposing to commit a total of \$14,000 in in-kind staff and cash for grant administration and program delivery.

ATTACHMENTS

1. Public Hearing Notice.
2. Resolution approving an application for funding from the General/Native American Allocation of the State Community Development Block Grant program and authorizing the execution of a grant agreement and any amendments thereto with the State of California for the purposes of this grant.

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City of Anderson will conduct a public hearing by the City Council on Tuesday, June 15, 2010, at 7:00 p.m., or as soon thereafter as the matter can be heard, in the City Council Chambers, 1887 Howard Street in Anderson, to discuss the Fiscal Year 2010-11 Community Development Block Grant (CDBG) General Allocation application and to solicit citizen input.

The City of Anderson is considering application for a grant amount of up to \$800,000 under the General Allocation component for providing lateral water connections for targeted low-income residents in the Alexander, Bellevue, Loop, Pinewood neighborhood and for citywide Housing Rehabilitation. The City will also be applying for a 10% set-a-side project under this application.

The purpose of the public hearing is to provide citizens an opportunity to comment on the proposed activities. If you are unable to attend the public hearing, you may direct written comments to the City of Anderson, City Manager's Office, 1887 Howard Street, Anderson, CA 96007 or you may telephone (530) 378-6646. In addition, a public information file is available for review at the above address between the hours of 8:00 a.m. and 5:00 p.m. on weekdays.

If you plan on attending the public hearing and need a special accommodation because of a sensory or mobility impairment/disability, or have a need for an interpreter, please contact Juanita Barnett at (530) 378-6646 to arrange for those accommodations to be made.

The City promotes fair housing and makes all programs available to low and moderate income families regardless of age, race, color, religion, gender, national origin, sexual preference, marital status, or handicap.

Juanita Barnett, City Clerk

Published June 9, 2010
Anderson Valley Post

RESOLUTION NO. 10-____**A RESOLUTION APPROVING A 2010/2011 APPLICATION FOR FUNDING AND THE EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS THERETO FROM THE GENERAL/COLONIA ALLOCATION OF THE STATE CDBG PROGRAM**

WHEREAS, the California Department of Housing and Community Development has issued a Notice of Funding Availability for the 2010/2011 General Allocation component of the Community Development Block Grant; and

WHEREAS, the City Council of the City of Anderson has considered possible application options and now wishes to submit an application for grant funds.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the City Council of the City of Anderson finds as follows:

SECTION 1:

The City Council has reviewed and hereby approves an application for \$400,000 for the following activities:

General Program Administration	\$ 30,000
Housing Rehabilitation Program	\$267,300
Housing Rehabilitation Activity Delivery	\$ 62,700
10% Set-Aside – Public Services <i>(Code Enforcement)</i>	\$ 40,000

SECTION 2:

The City has determined that federal citizen participation requirements were met during the development of this application.

SECTION 3:

The City hereby approves the use of local leverage funding sources (listed below) in the amount of \$16,000 to be used as the City's leverage for this application.

In-kind Staff	\$14,000
Fee Waivers	\$ 2,000

SECTION 4:

The City Manager is hereby authorized and directed to sign this application and act on the City's behalf in all matters pertaining to this application.

SECTION 5:

If the application is approved, the City Manager is authorized to enter into and sign the grant agreement and any subsequent amendments with the State of California for the purposes of this grant.

SECTION 6:

If the application is approved, the City Manager is authorized to sign funds requests and other required reporting forms.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Anderson held on June 15, 2010 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Norma Cornick, Mayor

ATTEST:

Juanita Barnett, City Clerk