

ANDERSON CITY COUNCIL
AGENDA ITEM



July 15, 2008, City Council Meeting

Approved for Submittal By:

City Manager Scott Morgan

To Be Presented By:

Dana Shigley Dana Shigley

To: Honorable Mayor and Members of the Anderson City Council

From: Dana Shigley, Assistant City Manager
Telephone 378-6670

Through: Scott Morgan, City Manager
Telephone 378-6646

Date: July 15, 2008

SUBJECT

Use of Workforce Housing Grant Funds

RE COMMENDATION

The Assistant City Manager recommends that the City Council:

Adopt a resolution authorizing the City Manager to request the State Department of Housing and Community Development to re-direct currently allocated Workforce Housing Funds to the Anderson River Park Amphitheater Upgrade project.

FISCAL IMPACT

The grant funds previously planned for a community gymnasium will instead be directed to the amphitheater upgrade project. Additionally, there will be savings in other funds for employee salaries that will now be directed to the amphitheater upgrade project. Savings in the general fund will be up to \$26,600 and in various grant and redevelopment funds up to \$21,200.

DISCUSSION and BACKGROUND

In October 2007, the City was awarded a Workforce Housing Grant in the amount of \$380,246. These funds are allocated as follows:

- \$80,000 for the installation of two “Discover Anderson” signs (Highway 273 at Jack in the Box and South Street and West Anderson Drive). These projects are nearly complete and the grant funds will be drawn within 30 days.
- \$195,800 for the extension of Fairgrounds Drive to Third Street. This project is complete and these funds have been drawn.
- \$104,446 for preliminary design and engineering of a municipal gymnasium.

Although we have had several meetings and discussions with representatives of Anderson Union High School District and Anderson New Technology High School, the district board has decided not to move forward with this joint project at this time. Given the very difficult financial situation facing the City's general and other operating funds, the City cannot move forward with this substantial construction project without financial and operational partners to share the cost. At this time, it does not appear that the project will be moving forward soon.

Staff understands that development of a gymnasium was one of the 12 priority projects for the Council during the 2007-2009 budget cycle. However, with development of the project on temporary hold, we recommend that the \$104,446 in available grant funds should be redirected to the amphitheater upgrade project. We will continue to seek funding sources for a new gymnasium so that we may be prepared to proceed should the AUHSD board, or other project partner, decide to join us.

In the mean time, the amphitheater upgrade project at Anderson River Park is currently under development and the Parks and Recreation Director has obtained two grants to assist in funding this great project. Although the City does not have funding available in other funds to devote to this project, it is important that the City demonstrate to other potential funding partners its commitment by dedicating whatever resources it can.

The amphitheater project, because of its cost and scope, will require significant resources not only for construction but also for project development and management. If the City Council approves the recommended change in use of grant funds, the City Manager will use up to \$47,800 of the funds to redirect existing staffing resources at City Hall to this project. This will include reassigning the Deputy Public Works Director for up to 25% of his time to assist the Parks and Recreation Director with the design, engineering, environmental analysis, and construction management of this project. In addition, the Grants and Redevelopment Manager will be assigned up to 25% of her time to assist the Parks and Recreation Director with identification, application and management of other funding sources. These changes will be implemented for the 2008-2009 fiscal year only, but may be continued into future years if the need remains.

The balance of the available funds, \$56,600, will be available for any phase of the project necessary, filling in gaps not funded by other sources.

ATTACHMENT

1. Resolution Amending the 2008/2009 Adopted Budget and authorizing the City Manager to seek approval to redirect Workforce Housing Grant Funds.

RESOLUTION AMENDING THE 2008/2009 ADOPTED BUDGET
AND AUTHORIZING THE CITY MANAGER TO SEEK APPROVAL
TO REDIRECT WORKFORCE HOUSING GRANT FUNDS.

Whereas, in October 2007, the City successfully obtained grant funding from the Department of Housing and Community Development's Workforce Housing Program; and

Whereas, the City Council now wishes to direct a portion of these funds to the Anderson River Park Amphitheater Upgrade project; and

Whereas, in order to facilitate the use of these funds, the City Council desires to amend the 2008/2009 adopted budget.

Now, therefore, be it hereby resolved that the City Council of the City of Anderson directs as follows:

1. The City Manager is directed to request that the State of California Department of Housing and Community Development allocate our existing Workforce Housing grant funds for the Anderson River Park Amphitheater Upgrade project.
2. The Assistant City Manager is directed to amend the 2008/2009 adopted budget as follows:

Account	Current Budget	Change	Revised Budget
110-0000-4699	176,000	(176,000)	0
322-0000-4699	0	176,000	176,000
110-6152-5725-029	176,000	(176,000)	0
322-6152-5725-029	0	232,600	232,600
322-6152-5101	0	47,800	47,800
322-0000-4652	0	104,400	104,400
330-5155-5101	80,271	(21,200)	59,071
001-4240-5101	93,091	(26,600)	66,491

PASSED AND ADOPTED by the City Council of the City of Anderson on this 15th day of July 2008, by the following vote:

AYES:
NOES:
ABSENT:

Butch Schaefer
Mayor of the City of Anderson

ATTEST:

Scott Morgan
City Clerk of the City of Anderson