



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: SEPTEMBER 15, 2020

FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARD: 2
DEPARTMENT

SUBJECT: PROPOSED AMENDMENT TO THE CITY OF RIVERSIDE 2020-2021 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ANNUAL ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM TO ALLOCATE \$355,380 IN UNPROGRAMMED FUNDS TO A WARD 2 STREET IMPROVEMENT PROJECT – FUNDS TRANSFER

ISSUE:

Approve an amendment to the 2020-2021 Department of Housing and Urban Development Annual Action Plan to allocate \$355,380 in unprogrammed Community Development Block Grant funds to a Ward 2 Street Improvement Project.

RECOMMENDATIONS:

That the City Council:

1. Authorize an amendment to the 2020-2021 Department of Housing and Urban Development Annual Action Plan to allocate \$355,380 to a Ward 2 Street Improvement Project, to widen the easterly side of Dwight Avenue from West Linden Street to Minnesota Street to add sidewalk and rehabilitate the street;
2. Authorize an interfund and interdepartmental fund transfer in the amount of \$355,380 from the CDBG unprogrammed account number 2835100-453001 to the Grants and Restricted Programs Fund 2020-2021 Ward 2 Street Improvement Project account; and,
3. Authorize the City Manager, or his designee, to execute a Memorandum of Understanding with the Public Works Department for the 2020-2021 Ward 2 Street Improvement Project, including making minor non-substantive changes, and to sign all documents and instruments necessary to implement this action.

BACKGROUND:

On June 2, 2020 the City Council adopted the 2020-2021 Department of Housing and Urban Development (HUD) Annual Action Plan. The proposed amendment to this Annual Action Plan will add the Ward 2 Street Improvements Project to the originally approved plan. The project will widen the easterly side of Dwight Avenue from West Linden Street to Minnesota Street to add

sidewalk and rehabilitate the street. The project is located within income eligible Census Tract 030503 Block Group No. 2.

HUD regulations allow the City of Riverside to retain a CDBG balance of 1.5 times their most recent CDBG allocation. Any funds in excess of this threshold could be subject to recapture by HUD. This balance is made up of programmed funds which are to be used on current ongoing projects and unprogrammed funds, which are comprised of remaining unspent funds from numerous projects over several years. Most of the remaining amounts range in size between hundreds to thousands of dollars. These are generally small amounts that can be transferred to Unprogrammed Funds administratively. These remaining balances in the CDBG Unprogrammed Funds Account can be used to fund new Capital Improvement projects or supplement previously authorized Capital Improvement Projects.

DISCUSSION:

The proposed amendment to the HUD 2020-2021 Annual Action Plan will allocate \$355,380 to the project. The project serves qualifying Low to Moderate-Income areas in Ward 2.

A public notice was issued announcing the proposed amendment to the HUD Annual Action Plan and a 30-day public comment period was provided in compliance with HUD regulations. The original notice was published in the Press Enterprise on Saturday, August 15, 2020 and included the date this action would be considered by the City Council.

The Public Works Director concurs with the recommendations in this report.

FISCAL IMPACT:

As outlined in the table below, the total one-time fiscal impact of the action is \$355,380. Fund 220 Community Development Block Grant (CDBG) funds totaling \$355,380 from the CDBG Unprogrammed Funds Account number 2835100-453001 are available to transfer to this project in the Grants and Restricted Programs Fund, Public Works Department.

Source	Account	Amount
CDBG Unprogrammed Funds Transfer to 9272400-440120	2835100-453001	\$355,380
20-21 Ward 2 Street Improvement Dwight/Minnesota	9170600-440120	\$355,380
20-21 Ward 2 Street Improvement Dwight/Minnesota	9170600-895220	(\$355,380)
TOTAL		\$355,380

Prepared by: David Welch, Community & Economic Development Director
 Certified as to
 availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer
 Approved by: Rafael Guzman, Assistant City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Site Map
2. Presentation