

STAFF REPORT
City of Lancaster, California

| |
|----------|
| CC 13 |
| 05/26/09 |
| MVB |

Date: May 26, 2009

To: Mayor R. Rex Parris and City Council Members

From: Elizabeth Brubaker, Director of Housing & Neighborhood Revitalization

Subject: **Substantial Amendment Approval for the Community Development Block Grant Recovery Funding Pursuant to Title XII of the American Recovery and Reinvestment Act of 2009**

Recommendation:

Approve the Second Substantial Amendment to the 2008 Consolidated Annual Action Plan for the Community Development Block Grant Recovery (CDBG-R) funds pursuant to Title XII of the American Recovery and Reinvestment Act of 2009. The grant monies will provide funds to carry out, on an expedited basis, eligible activities under the CDBG program.

Fiscal Impact:

The City will receive \$369,251 from the Department of Housing and Urban Development in new CDBG-R funds, which constitutes a special allocation of Program Year (PY) 2008 CDBG funding pursuant to Title XII of the American Recovery and Reinvestment Act of 2009.

Background:

The American Recovery and Reinvestment Act of 2009 (Recovery Act) was signed into law on February 17, 2009, and appropriated \$1 billion in Community Development Block Grant (CDBG) funds to states and local governments to carry out, on an expedited basis, eligible activities under the CDBG program. The Community Development Block Grant Recovery (CDBG-R) funds support a broad range of housing and community development projects that are “shovel-ready,” i.e., can to be implemented as soon as possible. The City will receive \$369,251 in new CDBG-R funds for projects that can be awarded contracts within 120 calendar days from the date the funds are made available to the City.

In order to receive funding, this submittal of the Second Substantial Amendment to the 2008 CDBG Action Plan is a requirement pursuant of the American Recovery and Reinvestment Act of 2009. The City of Lancaster must ensure that the CDBG-R grant funds are expended in accordance with federal guidelines.

The main purpose of the grant is to invest in activities that will quickly spur further economic investment, increased energy efficiency, and job creation or retention. The CDBG-R plan has been prepared, as a substantial amendment to meet the requirements of the grant to ensure that seventy percent of the overall grant benefits persons of low to moderate income. Neighborhoods with qualifying census tracts that meet the seventy percent requirement have been identified for CDBG-R projects.

The City of Lancaster proposes the following CDBG-R projects incorporating the following funding source: CDBG-R entitlement funds: \$369,251.00 Total Budget: \$369,251.00

1. Project CDBG-R Lowtree Neighborhood Improvements: Provide neighborhood and infrastructure improvements in the Lowtree Neighborhood, which is bounded by 10th Street West to 15th Street West and from Avenue J to Avenue K in Census Tract 9007.03. Improvements include sidewalks for pedestrian accessibility, replacement of curb and gutter, installation of handicap accessible ramps and enhancements to perimeter walls. This project is “shovel ready” and meets CDBG-R and Recovery Act requirements. Project Budget: \$203,700.00

2. Project CDBG-R Desert View Neighborhood Improvements: Provide neighborhood and infrastructure improvements in the Desert View Neighborhood, which is bounded by 10th Street West to 15th Street West and from Avenue H to Avenue I in Census Tract 9008.03. Improvements include sidewalks for pedestrian accessibility, replacement of curb and gutter, installation of handicap accessible ramps and enhancements to perimeter walls. This project is “shovel ready” and meets CDBG-R and Recovery Act requirements. Project Budget: \$75,000.00

3. Project CDBG-R Mariposa Neighborhood Improvements: Provide neighborhood and infrastructure improvements in the Mariposa Neighborhood, which is bounded by Sierra Highway to 10th Street West and from Avenue H to Avenue I in Census Tract 9008.04. Improvements include sidewalks for pedestrian accessibility, replacement of curb and gutter, installation of handicap accessible ramps and enhancements to perimeter walls. This project is “shovel ready” and meets CDBG-R and Recovery Act requirements. Project Budget: \$53,626.00

4. Project CDBG-R Administration: General administration and planning activities shall not exceed 10 percent of the CDBG-R grant. The 10 percent limitation applies to the grant as a whole to cover the direct costs associated with administration of CDBG-R. Project Budget: \$36,925.00