



Legislation Text

File #: 09-0551, **Version:** 1

Recommendation to approve a third amendment to the Fiscal Year 2008-2009 Action Plan incorporating the American Recovery and Reinvestment Act's (ARRA) Community Development Block Grant-Recovery (CDBG-R); and authorize City Manager to: 1) execute all necessary documents with the U.S. Department of Housing and Urban Development (HUD) and other entities necessary to receive CDBG-R funds, 2) increase appropriations in the Community Development Grants Fund (SR 150) in the Department of Community Development (CD) by \$2,332,444, and 3) execute all necessary documents with approved contractors necessary for CDBG-R implementation. (Districts 1,7)

To receive Community Development Block Grant (CDBG) funding from the U.S. Department of Housing and Urban Development (HUD), the City of Long Beach (City) prepares an annual Action Plan that describes how the funding for low-income residents will be used. On July 15, 2008, the City Council approved the FY 09 Action Plan. This FY 09 Action Plan is the fourth annual implementation plan under the five-year 2005 2010 Consolidated Plan. The 2005-2010 Consolidated Plan is required to assess lowincome community needs and to prioritize the use of HUD grant funds received by the City to address identified needs.

Title XII of Division A of the American Recovery and Reinvestment Act of 2009 (ARRA), which became effective on February 17, 2009, appropriates \$1 billion to carry out the CDBG program under Title I of the Housing and Community Development Act of 1974 on an expedited basis. Consequently, HUD has established a new program called the Community Development Block Grant-Recovery (CDBG-R). Under this program, the City is eligible to receive \$2,332,444 of federal funding. HUD is treating CDBG-R funds as a special allocation of CDBG funding. As such, the City's use of this funding requires a substantial amendment to the current approved FY 09 Action Plan. (Attachment A)

Recommended Projects

The intent of the program is to put these funds to use quickly. Accordingly, in selecting projects for CDBG-R funding, the City shall give priority to projects that can award contracts based on bids within 120 calendar days from the date the funds are made available to the City. Hence, selected projects must be "shovel ready." ARRA requires that the selected projects should demonstrate how the use of CDBG-R funds for a project will locally maximize job creation/retention; economic benefits; and promote energy conservation, smart growth, green building technologies, or reduced pollution emissions.

The two projects recommended are ready to commence and will be built with CDBG - R funding. The proposed projects are:

- 14th Street Skate Park Expansion of the Skate Park at 14th Street and Pacific Avenue. Improvements include the fabrication and installation of new skate park equipment as well as associated site work, grading, concrete, fencing, shade structures, and benches.

Construction of this project will take four (4) to six (6) months. This project will create 10 full-time construction jobs.

Project Funding: \$620,000

- Arlington Avenue Storm Drain Due to past and recent flooding in the Arlington neighborhood, the proposed project is being developed to provide flood protection from a 10-year rain event. Homes and businesses surrounding the 2300 block of West Arlington Street have experienced severe flooding at least seven times during the past 20 years. The most recent flooding of the area took place February 7, 2009, when the neighborhood was inundated with two to three feet of water due to heavy rainstorms. The proposed project will construct a parallel storm drain system on River Avenue, just north of Arlington Street, that will connect to an underground storage basin on the adjacent SCE property. Construction of this project will take approximately six (6) months and create 20 full time construction jobs.

Project Funding: \$1,479,200

The total amount of the CDBG-R entitlement is \$2,332,444. Ten percent of the funds will be allocated to support the planning and administrative costs of these projects.

Citizen Participation

To expedite the ARRA process and ensure that CDBG-R grants are awarded in a timely manner, HUD is limiting the citizen participation to seven calendar days. Based on this HUD directive, notices regarding the availability of the substantial amendment to the FY 09 Plan were posted on the City's website. In addition, the program announcement and the draft amendment were placed at the Neighborhood Resource Center and at the Main Library. All of the public comments received during the public comment period, May 26, 2009 to June 1, 2009, will be included in the Amended Action Plan, along with copies of written responses from staff.

This item was reviewed by Deputy City Attorney Richard Anthony on May 27, 2009, and by Budget and Performance Management Bureau Manager David Wodynski on May 18, 2009.

City Council action is requested on June 2, 2009, as the Amended Action Plan must be submitted to HUD no later than June 5, 2009.

An appropriation increase of \$2,332,444 is requested in the Community Development Grants Fund (SR 150) in the Department of Community Development (CD). The increase is included in the recommendation. There is no impact to the General Fund.

Approve recommendation.

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APPROVED:

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CITY MANAGER