



COUNTY OF HUMBOLDT

AGENDA ITEM NO.
L-2

Hearing Date: October **7** 2014
To: Board of Supervisors
From: Kevin R. Hamblin, Director Planning and Building Department **KRH**
Subject: Community Development Block Grant Program Income Reuse Plan and Supplemental Activity

RECOMMENDATIONS:

That the Board of Supervisors:

1. Receive Staff Report;
2. Open the Public Hearing;
3. Adopt Resolution regarding Community Development Block Grant Program Income Reuse Plan and related signature delegation to the Director of Planning and Building (Attachment A); and
4. Adopt resolution authorizing a grant to Palmer Creek Community Services District for \$98,000 and related signature delegation to the Director of Planning and Building (Attachment B)

SOURCE OF FUNDING: Community Development Block Grant (CDBG) Program Income (PI)

DISCUSSION:

At the September 23, 2014 meeting the Board of Supervisors reviewed and approved the amended CDBG Program Income Reuse Plan which authorizes Program Income to be spent on

Prepared by: Paula Mushrush

CAO Approval Amy Olsen

REVIEW:	Auditor _____	County Counsel <u>PS</u>	Human Resources _____	Other _____
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TYPE OF ITEM:

Consent

Departmental

Public Hearing

Other _____

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: September 23, 2014

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor Fennell
 Seconded by Supervisor Sundberg
 Ayes Sundberg, Lovelace, Bohn, Fennell, Bass
 Nays _____
 Abstain _____
 Absent _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: Oct. 7, 2014

By: Kathy Hayes
Kathy Hayes, Clerk of the Board

either supplemental projects or open grants. Attachment A is the Resolution adopting the Reuse Plan and authorizing the Director of Planning and Building related signature authority.

At the same meeting the Board had extensive discussion on the two proposed supplemental projects, ultimately taking action to authorize \$135,000 for Palmer Creek Community Services District (PCCSD), and committing \$100,000 when and if funds were available, for first phase of architectural barrier removal project at the Public Defender's Office.

Staff's recommendations for both supplemental projects were based mainly on the timing of the projects. Staff understood that both projects could be completed prior to January 30, 2015.

During public testimony at the September 23, 2014 meeting, staff was surprised to learn that the Palmer Creek project was not planned to begin until next year and that the project for the Public Defender's Office was not ready to begin immediately. After the meeting, staff began working with the both the PCCSD and County Administrative Office (CAO) to find the actual timing of the projects. The CAO office spoke with Public Works and notified staff on Monday September 29, 2014 that the project has been pulled indefinitely. Palmer Creek representatives were less sure on the timing, but thought it would be difficult to meet the January deadline.

In late May of this year, CDBG notified the County of a new rule that would require the expenditure of Program Income funds prior to drawing down grant funds. The County has a grant that expires, and requires funds to be drawn by February 15, 2015, so it became important to draw funds from that account prior to that date in order to maximize the amount of funds available to the County. If staff does not have a qualified supplemental project that can be drawn down prior to February 15, 2015, nearly \$80,000 of grant funds will be supplanted with Program income funds. This leaves the County with approximately \$98,000 of CDBG Program Income.

Understanding the Board's desire to fully fund the Palmer Creek project staff met with the CDBG Program Director requesting to put money aside for this project, but he stated the County could not hold funds for any project. This means that the County will only have \$98,000 guaranteed funding for the time they are considering their project.

After several discussions with the Palmer Creek Community Services District, Housing staff connected them with the North Coast Integrated Regional Water Management Grant Program (IRWMP) and discussed amending the resolution and providing \$98,000 of CDBG. This would allow Palmer Creek the match to successfully compete for IRWMP funds, as was recommended by Supervisor Sundberg.

Given the above situation staff recommends that your Board authorize \$98,000 for Palmer Creek Community Services District water improvement project, and drop the Architectural Barrier Removal project for the Public Defender's office.

FINANCIAL IMPACT:

Costs associated with the proposed Reuse Plan will be covered by CDBG Program Income funds. Costs associated with the proposed supplemental activity will also be covered by PI funds. There will no effect on General Fund.

The proposed supplemental activity is public/private partnership that improves the health and safety of water for residents in the Palmer Creek district.

The recommendations support the Board's Strategic Framework, Priorities for New initiatives by seeking outside funding sources to benefit Humboldt County.

OTHER AGENCY INVOLVEMENT:

Palmer Creek Community Services District

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could commit to more, understanding that if Program Income came up short the General Fund would fund the difference.

ATTACHMENTS:

Attachment A: Resolution Program Income Reuse Plan

Attachment B: Resolution Supplemental Activity: Palmer Creek Water Tank Improvement

ATTACHMENT ^A/_B

RESOLUTION

COMMUNITY DEVELOPMENT BLOCK GRANT
PROGRAM INCOME REUSE PLAN

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings, Meeting of October 7, 2014

RESOLUTION NO. 14-77

RESOLUTION APPROVING AMENDED REUSE PLAN AND AUTHORIZATION FOR DIRECTOR OF PLANNING AND BUILDING DEPARTMENT TO SIGN REUSE PLAN

WHEREAS, the County of Humboldt receives repayment of loans originally made with Community Development Block Grant (CDBG) funds and that these funds become program income funds; and

WHEREAS, the County Board of Supervisors must adopt a Reuse Plan that complies with the grant requirements and describes how Program Income funds will be spent; and

WHEREAS, the County Board of Supervisors has determined that this public hearing serves to meet the federal participation requirements.

NOW, THEREFORE, BE IT RESOLVED, the County of Humboldt Board of Supervisors approves the submission of the Reuse Plan, as submitted at the public hearing on September 23, 2014 in Attachment C to the staff report.

BE IT FURTHER RESOLVED, the County Board of Supervisors hereby authorizes and directs the Director of Planning and Building to sign the Reuse Plan and to act on the County's behalf in all matters pertaining to this Reuse Plan.

Dated: October 7, 2014



REX BOHN, Chair
Humboldt County Board of Supervisors

Adopted on motion by Supervisor Fennell, seconded by Supervisor Sundberg, and the following vote:

AYES: Supervisors Sundberg, Lovelace, Bohn, Fennell, Bass
NAYS: Supervisors --
ABSENT: Supervisors --
ABSTAIN: Supervisors --

STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be a full, true, and correct copy of the original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California as the same now appears of record in my Office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



By ANA HARTWELL
Deputy Clerk of the Board of Supervisors of the
County of Humboldt, State of California

ATTACHMENT B

RESOLUTION

**SUPPLEMENTAL ACTIVITY
PALMER CREEK COMMUNITY SERVICES DISTRICT
WATER TANK IMPROVEMENT**

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings, Meeting of October 7, 2014

RESOLUTION NO. 14-78

RESOLUTION APPROVING USE OF CDBG PROGRAM INCOME FUNDS FOR A SUPPLEMENTAL ACTIVITY KNOWN AS PALMER CREEK WATER TANK IMPROVEMENT; AUTHORIZATION FOR DIRECTOR OF PLANNING AND BUILDING TO SIGN AGREEMENTS TO CARRY OUT ACTIVITY

WHEREAS, the County of Humboldt receives repayment of loans originally made with Community Development Block Grant (CDBG) funds and that these funds then become program income funds; and

WHEREAS, the County of Humboldt can request to use program income funds on a CDBG eligible activity; and

WHEREAS, the County of Humboldt wishes to facilitate public infrastructure projects that meet health and safety codes; and

WHEREAS, the Palmer Creek Community Services District (PCCSD) has deferred maintenance on their water tanks that could imperil the health and safety of the drinking water provided to that community and has therefore asked the County to grant program income funds to do improve their existing water tanks; and

WHEREAS, the PCCSD proposes to use approximately \$98,000 of Program Income on this activity; and

WHEREAS, the County Board of Supervisors has determined that the project meets CDBG threshold requirements; and

WHEREAS, the County Board of Supervisors has determined that this public hearing serves to meet the federal participation requirements.

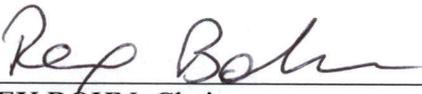
NOW, THEREFORE, BE IT RESOLVED, the County Board of Supervisors approves the submission of a request to the State of California Community Development Block Grant Program to use \$98,000 as set forth in the recitals.

BE IT FURTHER RESOLVED, the County Board of Supervisors hereby authorizes and directs the Director of Planning and Building to act on the County's behalf in all matters pertaining to this request.

BE IT FURTHER RESOLVED, if the program income request is approved the Director of Planning and Building is hereby authorized to enter into an agreement and any subsequent amendments with the State of California for purposes of this supplemental activity.

BE IT FURTHER RESOLVED, if the supplemental activity is approved, the Director of Planning and Building, or designee, is hereby authorized to sign contracts to carry out the Supplemental activity, after review and approval of the County Counsel and Risk Management

Dated: October 7, 2014



REX BOHN, Chair
Humboldt County Board of Supervisors

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BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings, Meeting of October 7, 2014

RESOLUTION NO. 14-78

Adopted on motion by Supervisor Fennell, seconded by Supervisor Sundberg, and the following vote:

AYES:	Supervisors	Sundberg, Lovelace, Bohn, Fennell, Bass
NAYS:	Supervisors	--
ABSENT:	Supervisors	--
ABSTAIN:	Supervisors	--

STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be a full, true, and correct copy of the original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California as the same now appears of record in my Office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



By ANA HARTWELL
Deputy Clerk of the Board of Supervisors of the
County of Humboldt, State of California