

Agenda Report

May 20, 2013

TO: CITY COUNCIL
FROM: HOUSING DEPARTMENT
SUBJECT: PUBLIC HEARING: APPROVAL OF A SUBSTANTIAL AMENDMENT
TO THE 2012-2013 CDBG ANNUAL ACTION PLAN

RECOMMENDATION:

It is recommended that the City Council, following the public hearing, adopt a resolution approving the submission, to the U.S. Department of Housing and Urban Development (HUD), of a Substantial Amendment to the 2012-2013 Annual Action Plan as described in this agenda report.

BACKGROUND:

As a recipient of Community Development Block Grant Funds from the U.S. Department of Housing and Urban Development (HUD), the City is required to prepare and submit to HUD an Annual Action Plan. The Annual Action Plan generally describes how the City will utilize and distribute funds between eligible activities during the program year. A Substantial Amendment is required when a change needs to be made in the allocation of funding or funds need to be reprogrammed.

As part of this Substantial Amendment, the City is proposing to cancel the *Pasadena Street Vendor Association Program*. During the 2012-2013 CDBG funding cycle, \$63,000 was awarded to IDEPSCA for the Street Vendor Program. Unfortunately, IDEPSCA chose to sever ties with the Street Vendor Program leaving the Street Vendor Program without a fiscal agent. Per the Federal Regulations that guide the CDBG program, money cannot be given directly to individuals for this type of economic development activity. All federal funding needs to go through an established fiscal agent as established by the rules and regulations. As a result, the City needs to reprogram the \$63,000 in funding. The City is proposing to reprogram the \$63,000 to the *Health Department's Dental Clinic Project* which will serve low/moderate residents of Pasadena allowing them to receive low cost-no cost dental care.

The City is also proposing to increase the funding to the *Robinson Park Phase II and III Project*. The City received approximately \$362,193 from the dissolution of a revolving loan fund that Pasadena Development Corporation (PDC), and subsequently Valley Economic Development Corporation (VEDC) used to make small business loans in the community. VEDC is no longer being funded through CDBG and is not interested in receiving future CDBG funding consequently, the revolving loan fund is being dissolved and returned to the City for reprogramming.

The City is proposing that the returned funds of approximately \$362,193 be allocated to the *Robinson Park Phase II and III Project*.

Under this Amendment the City also proposes to add an additional \$1,390 to complete the funding for the ADA Reception Area Project at Jackie Robinson Community Center.

The Draft Substantial Amendment was issued for Public Review beginning December 6, 2012 and concluding on January 10, 2013.

COUNCIL POLICY CONSIDERATION:

This proposed action supports the City Council Strategic Planning Three-Year Goals specifically in the areas of increasing conservation and sustainability, and supporting the quality of life and the local economy.

FISCAL IMPACT:


Approval of the subject recommendation will result in the reprogramming and allocation of approximately \$426,583 in Community Development Block Grant funds.

Respectfully submitted,



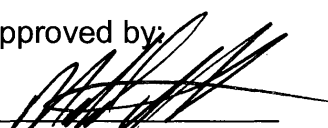
William K. Huang
Housing Director

Prepared by:



Valerie Babinski
CDBG Program Coordinator

Approved by:



MICHAEL J. BECK
City Manager

Attachments:

Exhibit A- Substantial Amendment

Exhibit A

**City of Pasadena
Substantial Amendment to the 2012-2013 Annual Action Plan**

Original funding the in the 2012-2013 Annual Action Plan

Program	Amount
IDEPSCA- Street Vendors	\$ 63,000
Department of Public Works	\$ 241,000 (\$50,000 for JRCC)

Substantial Amendment Reprogramming and Allocations for 2012-1013

Program	Amount
IDEPSCA- Street Vendors	\$ 0
Pasadena Public Health Department	\$ 63,000
Robinson Park Phase II/III	\$ 362,193
Department of Public Works-BSFMD	\$ 242,390 (51,390 for JRCC)

RESOLUTION NO. _____

A RESOLUTION OF THE PASADENA CITY COUNCIL AUTHORIZING THE SUBMITTAL OF A SUBSTANTIAL AMENDMENT TO THE ANNUAL ACTION PLAN (2012-2013) TO ALLOW THE CITY OF PASADENA TO ALLOCATE/ REPROGRAM \$426,583 IN PROGRAM INCOME AND COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FROM THE U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT FOR THE CITY'S FISCAL YEAR 2012-2013, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SUBSTANTIAL AMENDMENT AND ALL OTHER RELATED DOCUMENTS, AGREEMENTS, AND CERTIFICATIONS.

WHEREAS, the City of Pasadena (“the City”) is a municipal corporation which exercises governmental functions and powers, and is a chartered city organized and existing under the laws of the State of California; and

WHEREAS, after publication of notice, a public hearing has been duly held by the City Council to consider 1) authorizing the submittal to the U. S. Department of Housing and Urban Development (HUD) of a Substantial Amendment to the Annual Action Plan (2012-2013) for the Community Development Block Grant; 2) authorizing the City Manger to execute the Substantial Amendment and all other related documents, agreements and certifications.

NOW, THEREFORE, BE IT RESOLVED by the Pasadena City Council as follows:

1. The terms and provisions of the Substantial Amendment to the Annual Action Plan (2012-2013) are hereby approved and the City Manager is hereby authorized and directed to submit the Substantial Amendment to the Annual Action Plan (2012-2013) to HUD, together with any and all other documents, assurances and certificates as are lawful and necessary to complete the City’s reprogramming of funds and to secure the obtainment thereof under the Community Development Block Grant Program.

2. The City Clerk is hereby authorized and directed for and on behalf of the City to attest any documents, assurances and certificates executed by the City Manager which are deemed necessary and appropriate by HUD to complete the City’s reprogramming of funds, to

secure the obtainment thereof under the Community Development Block Grant Program.

3. That the allocation of the funds to be allocated to the City by HUD under the Community Development Block Grant Program, for the activities described in the Substantial Amendment to the Annual Action Plan (2012-2013) and the agenda report presented to the City Council at the meeting at which this resolution was adopted, is hereby approved by the City Council.

Adopted at the regular meeting of the Pasadena City Council on the _____ day of MAY 2013, by the following vote:

AYES:

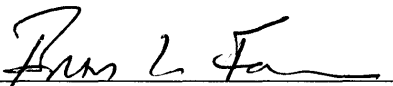
NOES:

ABSENT:

ABSTAIN:

MARK JOMSKY, CMC
CITY CLERK

APPROVED AS TO FORM:



BRAD L. FULLER
ASSISTANT CITY ATTORNEY