



Agenda Report

April 25, 2016

TO: Honorable Mayor and City Council

FROM: Housing and Career Services Department

SUBJECT: PUBLIC HEARING: AMENDMENT TO THE ANNUAL ACTION PLAN (2015-2016) FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

RECOMMENDATION:

It is recommended that upon close of the public hearing the City Council take the following actions:

- 1) Find that the recommended action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines per Section 15061 (b) (3), the General Rule that CEQA only applies to projects that may have an effect on the environment; and
- 2) Approve the submission to the U.S. Department of Housing and Urban Development of an Amendment to the Annual Action Plan (2015-2016), specifically for sidewalk replacement and ADA curb cuts within designated areas and as described in the report.

BACKGROUND:

On April 18, 2016, the Public Hearing was opened, and this item was presented to City Council for approval. The Public Hearing was continued with direction to staff to more specifically designate the area in which sidewalk replacement and ADA curb cuts are to occur. Consequently, at the continued Public Hearing staff will present a Map of CDBG Contract Locations that limits the work to low and moderate income locations in Northwest Pasadena.

On July 13, 2015, the City Council convened a public hearing approving the submission of the Five-Year Consolidated Plan 2015-2019 and the Annual Action Plan (2015-2016) in connection with the City's application to the U.S. Department of Housing and Urban Development (HUD) for federal housing and community development funds.

The Annual Action Plan sets forth the projected uses of the HUD funds, and addresses the available resources for program implementation, activities to be undertaken, program guidelines, and monitoring. The Annual Action Plan also addresses the efforts made toward accomplishing the goals and objectives included in the City's Five-Year Consolidated Plan (2015-2019).

On November 2, 2015, the City Council convened a public hearing approving an amendment to the Annual Action Plan (2015-2016) to allocate \$530,000 in unspent CDBG funds to the Department of Public Works for Street Lighting LED Upgrade project. This project could not move forward due to received bids deemed unresponsive based on the inability to meet specific performance objectives. Use of LED luminaries as originally scoped in the project would require further evaluation and changes to the City's streetlight design standards which are higher than nationally recognized standards. There is not sufficient time to revise the City's street light design standards, revise specifications, rebid the project and complete the installation of the LED upgrades prior to the original target date of June 30, 2016 to expend these funds. Therefore, the project was cancelled.

HUD limits the amount of unspent funds that can be retained by the City. If the City exceeds this limit, the excess, unspent funds must be returned to HUD. In order to avoid exceeding HUD's unspent cap limit, funds need to be allocated to a project that can expend the funds quickly in order to immediately reduce the amount of unspent funds. Projects like Robinson Park are not able to accommodate this objective because there are not unfunded elements of the project ready for immediate construction. Therefore, Staff is requesting that the \$530,000 be reprogrammed to Public Works for sidewalk replacement and installing Americans with Disability Act (ADA) curb ramps as needed, with a target date of December 31, 2016 to expend all funds. The targeted geographic area for the work will be the CDBG Contract Locations FY2017, which are CDBG benefit service areas in Northwest Pasadena (see Attachment A).

The subject Amendment was issued for public review from March 17, 2016 to April 17, 2016 in a published notice of the scheduled public hearing to amend the 2015-2016 Annual Action Plan. To date no public comments have been received regarding the Amendment.

Staff will report on the subject recommendation and action taken by City Council to the Northwest Commission and the Human Services Commission during the review by these two bodies of the Consolidated Annual Performance Evaluation Report, which is planned to occur in September 2016.

ACTIVITY JUSTIFICATION:

HUD allows up to 15% of a jurisdiction's CDBG annual allocation to be utilized for public services which includes a wide variety of eligible social service activities. Pasadena

typically uses its maximum 15% of CDBG funds for public services, so the money to be reprogrammed cannot be dedicated to needed social services. Besides an allowance for administration, the remainder of the CDBG funds must be used for economic development, housing, and public facility/infrastructure improvements. Sidewalk replacement and ADA curb cuts are eligible CDBG activities which fall under public facility improvements. All census tracts where 51% or more of the residents are low and moderate-income are known as the CDBG benefit service area, and are eligible for public facility improvement activities. HUD uses data taken from the 2010 Census to determine demographics of each census tract. Data collected for the 2010 Census, during the recent economic downturn, led to an expansion of the City's CDBG benefit service area.

COUNCIL POLICY CONSIDERATION:

This proposed action supports the City Council Strategic Planning Three-Year Goals in the areas of improving, maintaining, and enhancing public facilities and infrastructure; improving mobility and accessibility throughout the City of Pasadena; and supporting and promoting the quality of life and the local economy.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b)(3), the "General Rule" provision of CEQA which applies to projects which may have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The approval of the subject Amendment to the Annual Action Plan is a funding mechanism only and is excluded from the definition of "project" pursuant to State CEQA Guidelines Section 15378(b)(4). Nor is this funding mechanism a final commitment to the sidewalk construction, as such funding may change if necessary. Therefore, the action proposed herein will not have a significant effect on the environment and, hence, is not subject to CEQA. Prior to any work that may take place as a result of the funding mechanism herein, appropriate environmental review of the sidewalk construction will take place.

FISCAL IMPACT:

There is no fiscal impact as a result of this action and it will not have any indirect or support cost requirements. The anticipated impact to other operational programs or capital projects as a result of this action will be none.

Respectfully submitted,



WILLIAM K. HUANG, Director
Housing and Career Services

Prepared by:



RANDY MABSON
CDBG Program Coordinator

Approved by:



STEVE MERMELL
Interim City Manager