

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**



December 16, 2014

**FROM: DENA FUENTES, Director
Department of Community Development and Housing**

**SUBJECT: SUBSTANTIAL AMENDMENT TO THE 2010-15 CONSOLIDATED PLAN AND
2014-15 ACTION PLAN**

RECOMMENDATION(S)

1. Conduct a public hearing to consider proposed Substantial Amendments to the 2010-15 Community Development Block Grant (CDBG) Consolidated Plan (Consolidated Plan), and the related 2014-15 Annual Action Plan.
2. Approve the following Substantial Amendments to the County's 2010-15 Consolidated Plan and the 2014-15 Annual Action Plan:
 - a. Cancellation of the rehabilitation of Hardy Fire Station #321 project in the City of Adelanto, in the amount of \$736,588 in CDBG funds;
 - b. Increase CDBG allocation in the amount of \$703,696 to the West Valley Detention Center, ADA Improvement project;
 - c. Initiate a new project for the design and construction of a new fire station located in Needles and allocate \$1,043,084 of CDBG funds;
 - d. Increase CDBG allocation in the amount of \$555,000 for the construction of the Library project in Bloomington.
3. Amend any strategies, actions, or proposed accomplishments identified in the 2014-15 Strategic Plan and portions of the County's 2010-15 Consolidated Plan, to reflect the proposed amendments.

(Presenter: Gary Hallen, Deputy Director, 387-4411)

BOARD OF SUPERVISORS COUNTY GOALS AND OBJECTIVES

Implement the Countywide Vision.

Create, Maintain and Grow Jobs and Economic Value in the County.

Operate in a Fiscally-Responsible and Business-Like Manner.

Provide for the Health and Social Services Needs of County Residents.

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FINANCIAL IMPACT

Approval of this item will not require the use of any additional Discretionary General Funding (Net County Cost). The following Community Development Block Grant (CDBG) budget changes are recommended for Board approval:

Project/Source	Fund	Dept	Org	Net Amount
TO:				
West Valley Detention Center ADA Project	CJP	CIP	3S16	\$ 703,696
Design and Construction of Needles Fire Station	CJP	CIP	2Y30	\$ 1,043,084
Bloomington Library	SBA	ECD	ECD	\$ 555,000
Total				\$ 2,301,780
FROM:				
Program Income	SBR	ECD	ECD	(\$ 765,000)
Hardy Fire Station #321	SBA	ECD	ECD	(\$ 575,555)
Unencumbered Funds	SBA	ECD	ECD	(\$ 961,225)
Total				(\$ 2,301,780)

Adequate appropriation and revenue to complete these actions have been included in the Department of Community Development and Housing's (CDH) 2014-15 budget

BACKGROUND INFORMATION

CDBG funds are federal grant funds administered by the U.S. Department of Housing and Urban Development (HUD). In order to receive grant funds, the County has submitted a 5-Year Consolidated Plan (2010-2015) governing the use of the funds. Every year the County must submit an Annual Action Plan which provides specific, detailed information regarding projects receiving CDBG funding. If the County desires to make substantial changes to an Annual Action Plan, a public hearing and subsequent approval by the Board of Supervisors (Board) is required.

CDH is recommending the Board conduct a public hearing to consider amending the 2010-15 Consolidated Plan, and the 2014-15 Annual Plan to include the following substantial changes:

- a) Cancellation of Hardy Fire Station #321 - \$736,588 (net amount \$575,555)
The City of Adelanto is cancelling the Hardy Fire Station #321 Rehabilitation Project (Project# 101-36119/3618). It was determined the project did not have adequate funds to complete the rehabilitation. The cancelation of the Hardy Fire Station #321 requires the City of Adelanto repay to the County the \$161,033 in funds expended on the project. The County will retain \$575,555 of unused allocation and require the City of Adelanto to deduct \$161,033 of its future years 2015-16 CDBG allocation as repayment of the funds spent to date.



- b) West Valley Detention Center ADA Improvement project - \$703,696
The West Valley Detention Center ADA Improvement project total budget is \$6.3 million. The current funding sources include \$4.0 million of CDBG funds and \$2.3 million of other funds. The West Valley Detention Center ADA Improvement project remains the same; however the investment of CDBG funds will increase to \$4,703,696. The West Valley Detention Center ADA Improvement project is a CDBG eligible project and assists the County in meeting its requirement to expend funds in a timely manner.

- c) Design and Construction of Needles Fire Station project - \$1,043,084
Initiate a new project for the design and construction of a new fire station that will be located in Needles. This is an eligible CDBG project and will provide fire services to the City residents and the unincorporated surrounding areas. This project will also assist the County in meeting its requirement to expend funds in a timely manner.

- d) Bloomington Library Branch - \$555,000
The current CDBG allocation for the new Library project in Bloomington (Project# 204-39102/3696) previously approved by the Board of Supervisors is \$303,000. It was originally anticipated that Federal Neighborhood Stabilization program income would be used to partially fund the library. The proposed CDBG allocation requested will be utilized to replace the program income that did not materialize as anticipated.

The total cost of the proposed actions is \$2,301,780. The CDBG funding sources included reprogrammed funds from the Hardy Fire Station (net amount of \$575,555), Unencumbered CDBG funds (\$961,225), and Program Income from CDBG funds (\$765,000)

A summary of the actions are as follows:

Community Development Block Grant Allocation				
	Hardy Fire Station #321 Project	Unencumbered Funds	Program Income	Total
West Valley Detention Center ADA Project	\$ 575,555	\$ 128,141	\$ -	\$ 703,696
Design and Construction of Needles Fire Station Project	\$ -	\$ 278,084	\$ 765,000	\$ 1,043,084
Bloomington Library Project	\$ -	\$ 555,000	\$ -	\$ 555,000
Total	\$ 575,555	\$ 961,225	\$ 765,000	\$ 2,301,780

Staff is recommending these substantial changes to assist in ensuring compliance with federal rules and regulations governing CDBG funds, specifically the requirement to expend funds in a timely manner. If approved by the Board at the conclusion of today's public hearing, the County's



HUD Consolidated Plan (2010-2015) and 2014-15 HUD Annual Action Plan would be amended accordingly.

HUD requires that the County conduct a properly noticed public hearing. This hearing was advertised on or before November 14, 2014, in the following publications: Big Bear Grizzly, Daily Press, Hi-Desert Star, Inland Valley Daily Bulletin, La Prensa Hispana and The Sun. In addition, the notice was posted on the Economic Development Agency's website at <http://www.sbcountyadvantage.com/Community-Development-Information.aspx>.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Michelle D. Blakemore, Chief Assistant County Counsel, 387-5455 on November 14, 2014; Finance (Luther Snoke, Administrative Analyst, 387-4345) on November 21, 2014; and County Finance and Administration (Mary Jane Olhasso, Assistant Executive Officer, 387-4599) on December 1, 2014.