

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

|  |   |  |                      |
|--|---|--|----------------------|
| (1) DEPARTMENT<br>Planning and Building  | (2) MEETING DATE<br>7/23/2013                     | (3) CONTACT/PHONE<br>Suzan Ehdai, Planner II / 781-4974  |                      |
| (4) SUBJECT<br>Request to adopt a resolution amending the 2006, 2009, 2011, and 2012 Action Plans to reallocate Community Development Block Grant (CDBG) funds.  |   |  |                      |
| (5) RECOMMENDED ACTION<br>Staff recommends that your Board adopt and instruct the Chairman to sign the resolution approving the following reallocations and amend the related Action Plans:<br><br><u>City of Grover Beach</u> <ol style="list-style-type: none"> <li>1. Amend the 2011 Action Plan to allocate \$5,000 in CDBG funds from the "Mission Community Services Corporation Women's Business Center" to the "City-wide Public Improvement Project."</li> <li>2. Amend the 2011 Action Plan to allocate \$5,000 in CDBG funds from the "Construction of an Education Exhibit Area at Exploration Station" to the "City-wide Public Improvement Project."</li> </ol><br><u>City of San Luis Obispo</u> <ol style="list-style-type: none"> <li>1. Amend the 2012 Action Plan to reallocate \$95,000 in CDBG funds from the "Property Acquisition of 542 Hathway Street San Luis Obispo by the Tri-Counties Community Housing Corporation" to the "Property Acquisition of 542 Hathway Street San Luis Obispo by the TCCHC – San Luis Obispo, LLC."</li> </ol><br><u>County of San Luis Obispo</u> <ol style="list-style-type: none"> <li>1. Amend the 2006 Action Plan to reallocate \$1,701.96 in CDBG funds from the "Property Acquisition of 542 Hathway Street San Luis Obispo by the Tri-Counties Community Housing Corporation" to the "Property Acquisition of 542 Hathway Street San Luis Obispo by the TCCHC – San Luis Obispo, LLC."</li> <li>2. Amend the 2009 Action Plan to reallocate \$66,944 in CDBG funds from the "Property Acquisition of 542 Hathway Street San Luis Obispo by the Tri-Counties Community Housing Corporation" to the "Property Acquisition of 542 Hathway Street San Luis Obispo by the TCCHC – San Luis Obispo, LLC."</li> </ol> |   |  |                      |
| (6) FUNDING SOURCE(S)<br>CDBG  | (7) CURRENT YEAR FINANCIAL IMPACT<br>\$173,645.96 | (8) ANNUAL FINANCIAL IMPACT<br>\$0.00  | (9) BUDGETED?<br>Yes |
| (10) AGENDA PLACEMENT<br>{ } Consent    { } Presentation <b>{ X }</b> Hearing (Time Est. <u>30 min</u> )    { } Board Business (Time Est. ___)   |   |  |                      |
| (11) EXECUTED DOCUMENTS<br><b>{ X }</b> Resolutions    { } Contracts    { } Ordinances    { } N/A  |   |  |                      |
| (12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)<br>N/A   |   | (13) BUDGET ADJUSTMENT REQUIRED?<br>BAR ID Number:<br>{ } 4/5th's Vote Required <b>{ X }</b> N/A |                      |
| (14) LOCATION MAP<br>N/A   | (15) BUSINESS IMPACT STATEMENT?<br>No             | (16) AGENDA ITEM HISTORY<br><b>{ X }</b> N/A    Date: _____                                      |                      |
| (17) ADMINISTRATIVE OFFICE REVIEW<br>Reviewed by Leslie Brown  |   |  |                      |
| (18) SUPERVISOR DISTRICT(S)<br>All Districts -   |   |  |                      |

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / Suzan Ehdaie, Planner II  
Sarah Collins, Planning Intern

VIA: Wes Drysdale, Administrative Services Manager

DATE: 7/23/2013

SUBJECT: Request to adopt resolution amending the 2006, 2009, 2011, and 2012 Action Plans to reallocate Community Development Block Grant (CDBG) funds. All Districts.

## **RECOMMENDATION**

Staff recommends that your Board adopt and instruct the Chairman to sign the resolution approving the following reallocations and amend the related Action Plans:

### City of Grover Beach

1. Amend the 2011 Action Plan to allocate \$5,000 in CDBG funds from the "Mission Community Services Corporation Women's Business Center" to the "City-wide Public Improvement Project."
2. Amend the 2011 Action Plan to allocate \$5,000 in CDBG funds from the "Construction of an Education Exhibit Area at the Exploration Station" to the "City-wide Public Improvement Project."

### City of San Luis Obispo

1. Amend the 2012 Action Plan to reallocate \$95,000 in CDBG funds from the "Property Acquisition of 542 Hathway Street in San Luis Obispo by the Tri-Counties Community Housing Corporation" to the "Property Acquisition of 542 Hathway Street in San Luis Obispo by the TCCHC – San Luis Obispo, LLC."

### County of San Luis Obispo

1. Amend the 2006 Action Plan to reallocate \$1,701.96 in CDBG funds from the "Property Acquisition of 542 Hathway Street in San Luis Obispo by the Tri-Counties Community Housing Corporation" to the "Property Acquisition of 542 Hathway Street in San Luis Obispo by the TCCHC – San Luis Obispo, LLC."
2. Amend the 2009 Action Plan to reallocate \$66,944 in CDBG funds from the "Property Acquisition of 542 Hathway Street in San Luis Obispo by the Tri-Counties Community Housing Corporation" to the "Property Acquisition of 542 Hathway Street in San Luis Obispo by the TCCHC – San Luis Obispo, LLC."

## **DISCUSSION**

In order to meet the timeliness standard established by the CDBG program regulations, the cities of Grover Beach and San Luis Obispo, and the County of San Luis Obispo request to reallocate unspent CDBG funds to projects that are ready to be implemented and need additional funding.

The City of Grover Beach requests to reallocate \$10,000 of unspent CDBG funds from "Mission Community Services Corporation Women's Business Center" and "the Construction of an Educational Exhibit Area at the Exploration Station" projects to the City-wide Public Improvement project. The public improvement project requires additional funding and will use the money quickly, ensuring that the CDBG timeliness standard will be met.

Both the City of San Luis Obispo and the County of San Luis Obispo request to reallocate a total of \$163,645 in CDBG funds from Tri-Counties Community Housing Corporation (TCCHC) to a different legal entity called "TCCHC – San Luis Obispo, LLC" to acquire an affordable housing property located at 542 Hathway. Currently, TCCHC owns this property and needs to pay the Housing Trust Fund the bridge loan they used to purchase the property at foreclosure. Since property refinancing is not an eligible CDBG activity, TCCHC is creating a new legal entity called "TCCHC – San Luis Obispo, LLC" to acquire the property located at 542 Hathway. The property currently provides 3 housing units to extremely low income disabled individuals.

| #  | Project  | Reallocation of CDBG Funds |
|--|--|----------------------------|
| <b>Amendment to the 2006 Action Plan</b> |  |                            |
| 1  | New Project – “Property Acquisition of 542 Hathway Street in San Luis Obispo by the TCCHC – San Luis Obispo, LLC” – Reallocate \$25,352 from the “Property Acquisition of 542 Hathway Street in San Luis Obispo by the Tri-Counties Community Housing Corporation” – County of San Luis Obispo | \$1,701.96                 |
| <b>Total</b>                             |  | <b>\$1,701.96</b>          |
| <b>Amendment to the 2009 Action Plan</b> |  |                            |
| 1  | New Project - “Property Acquisition of 542 Hathway Street in San Luis Obispo by the TCCHC – San Luis Obispo, LLC” – Reallocate \$25,352 from the “Property Acquisition of 542 Hathway Street in San Luis Obispo by the Tri-Counties Community Housing Corporation” – County of San Luis Obispo | <b>\$66,944.00</b>         |
| <b>Total</b>                             |  | <b>\$66,944.00</b>         |
| <b>Amendment to the 2011 Action Plan</b> |  |                            |
| 1  | New Project - “City-wide Public Improvement Project” – Reallocate \$5,000 from the “Mission Community Services Corporation Women’s business Center” – City of Grover Beach   | \$5,000.00                 |
| 2  | New Project - “City-wide Public Improvement Project” – Reallocate \$5,000 from the “Construction of an Education Exhibit Area at the Exploration Station” – City of Grover Beach   | \$5,000.00                 |
| <b>Total</b>                             |  | <b>\$10,000.00</b>         |
| <b>Amendment to the 2012 Action Plan</b> |  |                            |
| 1  | New Project – “Property Acquisition of 542 Hathway Street in San Luis Obispo by the TCCHC – San Luis Obispo, LLC” – Reallocate \$95,000 from the “Property Acquisition of 542 Hathway Street in San Luis Obispo by the Tri-Counties Community Housing Corporation” – City of San Luis Obispo   | \$95,000.00                |
| <b>Total</b>                             |  | <b>\$95,000.00</b>         |

**OTHER AGENCY INVOLVEMENT/IMPACT**

Staff consulted with the City of Grover Beach and the City of San Luis Obispo for the above reallocations of CDBG funds. County Counsel reviewed and approved the attached resolution as to form and legal effect.

**FINANCIAL CONSIDERATIONS**

The reallocation will be funded from previous allocated CDBG funds.

## **RESULTS**

The reallocation of CDBG funds will further the efforts of the Communitywide Indicator of a Healthy Community as well as enable the Urban County of San Luis Obispo to meet its CDBG timeliness standard.

## **ATTACHMENTS**

Exhibit A - Resolution