

A SECOND PROPOSED CDBG SUBSTANTIAL AMENDMENT
TO THE 2022-2023 ANNUAL ACTION PLAN
DRAFT FOR PUBLIC REVIEW, FEBRUARY 1, 2023

<p>Jurisdiction: City of Carson, California</p> <p>Jurisdiction Web Address: http://ci.carson.ca.us</p>	<p>CDBG Contact Person: Keith Bennett</p> <p>Address: 701 East Carson Street Carson, California 90745</p> <p>Telephone: (310) 952-1700, ext. 1319</p> <p>Email: kbennett@carsonca.gov</p>
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Summary

The City of Carson proposes a Substantial Amendment to its 2022-2023 Annual Action Plan to reallocate previously budgeted current year Community Development Block Grant (CDBG) funds to increase the funding for the Neighborhood Pride (residential rehabilitation) Program.

Substantial Amendment of the Annual Action Plan is necessary because the proposed action meets two of the following criteria for Substantial Amendments as listed in the City’s CDBG Citizen Participation Plan:

- a) an increase or decrease greater than 100% of the activity allocation if the allocation is \$50,000 or more as listed in a published Five-Year Consolidated Plan or Annual Action Plan, or as amended; or
- b) an increase or decrease greater than \$50,000 of the activity allocation if the allocation is less than \$50,000 as listed in a published Five-Year Consolidated Plan or Annual Action Plan, or as amended.

Fiscal Impact

The U. S. Department of Housing and Urban Development (HUD) determines each year the CDBG amount the City receives in the form of an entitlement amount (based on the City’s overall population, its proportion of low- and moderate- income residents, and other demographic factors). However, if not all those funds are expended in the program year for which they were allocated, the result is the accumulation of unexpended funds in the City’s letter of credit balance with HUD.

Under the Housing and Community Development Act of 1974, HUD is required to determine annually whether a grantee jurisdiction is expending its CDBG funds in a timely manner, as determined by having a letter of credit ratio of 1.5 times its current entitlement grant 60 days prior to the end of the program year (or by the end of April). HUD had waived enforcement of this requirement during the COVID-19 pandemic, but this waiver period is coming to an end. As of January 31, the City's ratio is 2.26

Revised Activities and Funding Reallocations

The 2022-2023 Annual Action Plan includes an allocation of \$220,000 for improvements to Anderson Park. However, at this point in the program year, it does not appear that this project will be started and completed by the end of the program year June 30. Therefore, to assist with meeting the above-stated timeliness expenditure requirement, staff is recommending that the \$220,000 be reallocated from Anderson Park Improvements to the Neighborhood Pride (residential rehabilitation) Program (NPP).

The originally-submitted Annual /Action Plan had allocated \$233,183 to the NPP. A Substantial Amendment approved by City Council on December 6, 2022 reallocated \$863,174 in accumulated unspent prior years' CDBG funds to the NPP, raising its allocation to \$1,096,357. The recommended action would further increase the allocation for the NPP to \$1,316.357.

Eligibility

The activity for which available funding would be increased under the proposed Substantial Amendment constitutes an eligible use of CDBG funds as permitted under 24 CFR 570.202 (a) (1).

Activities to Be Affected by the Change

Allocations in 2022-2023 Annual Action Plan for Selected Activities (in dollars)						
Activity Name	Revised Allocation*			Recommended Allocation		
	Entitlement Funds	Prior Year Funds	Total Allocation	Entitlement Funds	Prior Year Funds	Total Allocation
Anderson Park Improvements	\$220,000	\$0	\$220,000	\$0	\$0	\$0
Neighborhood Pride Program	\$233,183	\$863,174	\$1,096,357	\$453,183	\$863,174	\$1,316,357

*Following the Substantial Amendment on December 6, 2022

Impact on 2022-2023 Annual Action Plan Goals and Objectives

Based on the original Action Plan allocation, it was estimated that the NPP would serve approximately 20 households (low- and moderate-income owner-occupants of single-family residences and mobilehomes). The additional funding from the December 6, 2022 Substantial Amendment increased this estimate to a minimum of 80 households. The funding from this

recommended action would increase program capacity by approximately 20 more households. This would enable the program to meet current demand. (As of this date, 19, dwellings have been completed, 19 applicants are in the process of funding approval, 20 more are scheduled for a preliminary inspection, and there exists an interest list of 70 potential applicants.)

Public Comment

As per HUD regulations, and as provided for in the City of Carson’s CDBG Program Citizen Participation Plan, the proposed Substantial Amendment will be posted and published via the usual methods for a period of not less than 30 calendar days for public review and comment. In addition, a public hearing is tentatively scheduled to be held regarding the proposed Substantial Amendment by City Council on March 7, 2023 prior to its approval by City Council for submission to HUD.

A summary of public comments received regarding the proposed CDBG Substantial Amendment will be attached to the final version of the Substantial Amendment submitted to HUD.

Attachments: Notice of 30-Day Public Comment Period



**NOTICE OF 30-DAY COMMENT PERIOD
NOTICE OF PUBLIC HEARING
PROPOSED COMMUNITY DEVELOPMENT BLOCK GRANT SUBSTANTIAL AMENDMENT
TO THE 2022-2023 ANNUAL ACTION PLAN**

NOTICE IS HEREBY GIVEN that the City Council of the City of Carson, California will conduct a public hearing on a proposed Substantial Amendment to the City's 2022-2023 Annual Action Plan. Said public hearing will take place during a regular meeting of the City Council to be held at the following date, time and place:

DATE: Tuesday, March 7, 2023
TIME: 6:00 P. M., or as soon thereafter as is practicable
PLACE: Helen Kawagoe Council Chambers, Carson City Hall
701 East Carson Street
Carson, California 90745

The proposed Substantial Amendment is to reallocate previously budgeted current year Community Development Block Grant (CDBG) funds to increase the available funding for the Neighborhood Pride (residential rehabilitation) Program.

The detailed Substantial Amendment will be available for public review and comment for a period that commences on Wednesday, February 1, 2023 and closes Monday, March 6, 2023, at the Office of the City Clerk and the Community Development Department, both located in Carson City Hall, 701 East Carson Street, Carson, California 90745. The proposed Substantial Amendment will also be made available on the City's website: <http://ci.carson.ca.us>. To obtain a copy of the proposed Substantial Amendment, contact Keith Bennett in the City's Community Development Department at (310) 952-1700, extension 1319, or via e-mail at kbennett@carsonca.gov.

A summary of all public comments received during the public comment period, as well as at the public hearing, will be incorporated into the final documents prior to their submission to the U. S. Department of Housing and Urban Development.

Dated: This 31st day of January 2023.

Dr. Khaleah K. Bradshaw
City Clerk