

A SECOND PROPOSED CDBG SUBSTANTIAL AMENDMENT
TO THE 2022-2023 ANNUAL ACTION PLAN
DRAFT FOR PUBLIC REVIEW, MAY 4, 2023

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

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 adjust funding between projects.

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.

Revised Activities and Funding Reallocations

The 2022-2023 Annual Action Plan includes an allocation of \$220,000 for improvements to Anderson Park. However, with bids expected later this month, construction would not begin and project expenditures would not occur until after the beginning of the 2023-2024 program year July 1. (The 2023-2024 Annual Action Plan has again included a \$220,000 allocation for the Anderson Park improvements.) Staff is thus recommending that the \$220,000 in the 2022-2023 Annual Action Plan be reallocated from Anderson Park Improvements to the Neighborhood Pride (residential rehabilitation) Program (NPP), to cover NPP projects currently in the pipeline.

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. (Approximately 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 June 6, 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