



STAFF REPORT
10/14/2020

TO: Honorable Mayor and City Council Members

FROM: Celina Jimenez, Grants Manager

SUBJECT: Adopt Resolution No. 2020-59 Authorizing the City of Coachella's Participation in the County of Riverside Urban County Program for Fiscal Years 2021-22, 2022-23, and 2023-24

STAFF RECOMMENDATION:

Staff recommends that the City Council considers adopting Resolution No. 2020-59 authorizing the City of Coachella's continued participation in the County of Riverside's Urban County Program for fiscal years 2021-22, 2022-23, and 2023-24.

BACKGROUND:

In 1974, Congress initiated the Community Development Block Grant (CDBG) Program as part of the Housing and Community Development Act. The mission of the CDBG Program is to improve the quality of life for people of low-moderate incomes in low income census tract areas, aid in the prevention of neighborhood deterioration and meet other urgent community development needs. The purpose of CDBG funding is to provide capital to support local economies, help strengthen neighborhoods, empower families and promote individual achievement. Due to its emphasis on flexibility, CDBG remains one of the most effective forms of federal assistance available to local governments

The Riverside County Department of Housing, Homelessness Prevention, and Workforce Solutions will administer the CDBG funding and oversees approximately 14 non-entitlement communities throughout Riverside County, of which Coachella is a "Participating City." The City qualifies as a Participating City due to its various low-to-moderate income Census tract areas. Due to federal requirements, a resolution must be submitted to Riverside County no later than July 10, 2020 confirming the City of Coachella's intent to continue its participation in the Riverside County Community Development Block Grant, HOME Investment Partnership Program, and the Emergency Solutions Grant for Fiscal Years 2021-22, 2022-23, and 2023-24.

DISCUSSION/ANALYSIS:

The City Council previously approved and submitted the Cooperation Agreement to the County for the CDBG, ESG, and HOME programs for the 2021-2024 Urban County cycle.

However, HUD has notified the County that minor, but necessary, changes were needed in the Agreement and Resolution. The changes do not affect the legality or enforceability of the original agreements. The primary change is the reference to Federal Fiscal Years 2021, 2022, and 2023 in the agreement and resolution. The other modifications included:

1. Modification to Paragraph 4C by adding “Section 109 of Title I of the Act” and “Title II of the American with Disabilities Act”;
2. Modification to Paragraph 21 by replacing the original clause with the following: “The City may not sell, trade, or otherwise transfer all or any portion of such funds to another such metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds in exchange for any other funds, credits or non-Federal considerations. City must use such funds for activities eligible under title I of the ACT.”

The term of this Agreement is for three (3) years commencing on July 1, 2021, through June 30, 2024, unless an earlier date of termination is fixed by U.S. Department of Housing and Urban Development, hereinafter referred to as HUD, pursuant to ACT.

CDBG-eligible activities include: Public Facilities and Improvements, Rehabilitation, Construction of Housing, Code Enforcement, Special Economic Development Activities, Microenterprise Assistance, and other miscellaneous activities. No less than 70 percent of the funds must be used for activities that benefit low- and moderate-income persons over a period specified by the state, not to exceed 3 years. The selected activities must meet a national objective such as: 1) Benefiting low and moderate (L/M) income persons; 2) Addressing slums or blight; or 3) Meeting a particularly urgent community development need.

ALTERNATIVES:

1. Adopt Resolution No. 2020-59 Authorizing the City of Coachella’s Participation in the County of Riverside’s Urban County Program for Fiscal Years 2021-22, 2022-23, and 2023-24
2. Not Adopt Resolution No. 2020-59 Authorizing the City of Coachella’s Participation in the County of Riverside’s Urban County Program for Fiscal Years 2021-22, 2022-23, and 2023-24

FISCAL IMPACT:

There is no direct fiscal impact to the approval of the agreement; however, the approval of this agreement will ensure that Coachella is eligible for future CDBG funds, which, on average, have been approximately \$340,000 per year.

ATTACHMENT(S):

1. Cooperation Agreement
2. Resolution No. 2020-59