



## City of Grass Valley City Council Agenda Action Sheet

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**Title:** CDBG Memorial Park Public Facilities Improvement Project - Program Amendment for Program Income Expenditure Increase.

**Recommendation:** That Council convene a public hearing and authorize a Community Development Block Grant (CDBG) program budget amendment to allocate additional Program Income (PI) towards the CDBG Memorial Park Public Facilities Improvement Project and adopt Resolution 2022-65.

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**Prepared by:** Lance E. Lowe, AICP, Principal Planner

**Council Meeting Date:** July 26, 2022

**Date Prepared:** July 20, 2022

**Agenda:** Public Hearing

**Background Information:** The City Council approved a CDBG Budget Amendment for a Program Income expenditure increase not to exceed \$740,000 on June 28, 2022. However, additional unexpected PI monies were received in excess of the \$740,000 necessitating a revised budget amendment increase.

In the original CDBG grant application, Staff estimated \$160,000 in Program Income to be collected during the grant period be allocated towards the project budget. To date, significantly more PI funds have accumulated during the project timeline and are totaling \$886,857 or \$126,857 more than was anticipated in the prior PI increase request approved by Council on June 28, 2022.

On August 26, 2020, the City was notified of its award of a Community Development Block Grant in the amount of \$3,499,281 for the CDBG Memorial Park Public Facilities Improvement Project. The Project involves the construction of new swimming pools, softball field turf installation, restroom replacement, and pickleball and basketball court construction, among other numerous park facility improvements. A construction contract with Western Water Features was executed in the amount of \$4,734,436 on June 8, 2021, to complete the CDBG Memorial Park Public Facilities Improvement Project, which is now nearing completion.

The California Department of Housing and Community Development (HCD) administers the CDBG Program and requires the execution of a budget amendment to add any available funds to the project after initial approval. A Council Resolution and an opportunity for public participation and comment on the use of additional PI funds is requested to enact the amendment.

Amending the CDBG Program project budget to allow the use of an additional \$726,857 in PI funds will more completely fund the public facility improvements and will be used 100% to cover construction costs of activities identified in the original project scope of work. Staff request that Council approve the attached Resolution, not to exceed 900,000 of PI funds, authorizing the budget amendment and allow for any public comment on the use of this additional PI funding for the Memorial Park Public Facilities Project.

**Council Goals/Objectives:** Improvements funded with this action execute portions of work tasks towards achieving/maintaining Strategic Plan Goal - Recreation and Parks.

**Fiscal Impact:** Added PI will reduce the local funds (Measure E) necessary to fully fund the project.

**Funds Available:** Yes

**Account #:** 300-406-64140

**Reviewed by:** \_\_\_\_\_ City Manager

**ATTACHMENT:**

Attachment 1 - Resolution No. R22-65