



Town Council Agenda Report

Date: February 9, 2021 Item No. 6

To: Honorable Mayor and Town Council

Subject: SUBSTANTIAL AMENDMENT TO THE 18/19, 19/20, AND 20/21 ACTION PLANS

From: Douglas Robertson, Town Manager

Submitted by: Silvia Urenda, Housing and Community Development Specialist II

Budgeted Item: N/A

RECOMMENDED ACTION

It is recommended that the Town Council:

- A. Conduct a public hearing and upon accepting public testimony;
- B. Approve a Substantial Amendment to the Community Development Block Grant (“CDBG”) 2018-2019, 2019-2020 and 2020-2021 Annual Action Plans (“Action Plans”) by programming an additional \$18,528 to the existing Feed My Sheep in the High Desert program and \$660,000 to the newly proposed 2020-2021 Microenterprise Assistance Program (MAP); and
- C. Authorize the Town Manager, or designee, to execute and transmit all necessary documents, including the Substantial Amendment to the Action Plans, and any additional amendments, to assure the Town’s timely expenditure of CDBG funds.

BACKGROUND

The U.S. Department of Housing and Urban Development (HUD) requires all entitlement communities receiving CDBG funds to prepare and submit a Consolidated Plan every five years to establish a unified, strategic vision for economic development, housing and community development activities. The Town Council adopted the 2017-2021 Consolidated Plan on June 13, 2017.

The Consolidated Plan is carried out through Annual Action Plans which provide a concise summary of the actions, activities, and the resources that will be used each year to address the priority needs and specific goals identified in the Consolidated Plan. The Town must submit an Annual Action Plan to HUD each year of the five-year Consolidated

Plan period. The Town of Apple Valley Town Council adopted and submitted the 2018-2019, 2019-2020 and 2020-2021 Action Plans to HUD by the required deadline dates.

In accordance with the Town’s Citizen Participation Plan, a Substantial Amendment to a Consolidated Plan and Action Plan is required when a “substantial” change is proposed to funding priorities, elimination or addition of activities not previously identified in the Action Plan, and changes to the goals and objectives. This substantial amendment to the Action Plans is necessary because the Town has identified five (5) activities that it wishes to cancel, one (1) activity that it wishes to reduce and the programming of unprogrammed funds in the combined amount of \$678,528 to be repurposed to one (1) existing activity and one (1) newly proposed activity.

ANALYSIS

The following narrative provides activity descriptions and other information for the proposed activities.

2020-2021 Feed My Sheep in the High Desert

The program provides bagged groceries to low-income seniors, disabled adults, and homeless Town residents. In addition, due to COVID, the program has also increase their scope of work to provide food delivery to homebound residents ensuring proper social distancing requirements are met as well as wearing personal protective equipment. The program runs mostly on the assistance of volunteers thereby allowing 100% of the funds to go towards the purchase of food.

2020-2021 Microenterprise Assistance Program

The MAP proposes to provide financial assistance, in the form of grants, to eligible microenterprise businesses (businesses owned by low- and moderate-income individuals with five (5) or fewer employees, including the owner(s)) for eligible costs including but not limited to rent, utilities, payroll and other costs required to resume or expand business operations.

Table 1: Proposed Activity Budget Modifications and Reprogrammed Activity Budgets

Program Year/Activity Title	Existing Budget	New Budget	Difference
<i>Cancel Funding/Unprogrammed</i>			
18-19 JW Park Parking Lot	\$105,605	\$0	(\$105,605)
19-20 JW Park Irrigation Replacement	\$200,000	\$0	(\$200,000)
20-21 ADA Handicap Push Button	\$100,000	\$0	(\$100,000)

20-21 Residential Rehabilitation Program	\$257,820	\$68,425	(\$189,395)
20-21 AVPAL <i>(withdrew)</i>	\$9,308	\$0	(\$9,308)
20-21 C.A.S.A. <i>(withdrew)</i>	\$9,220	\$0	(\$9,220)
Prior Year Unprogrammed Funds	\$65,000	\$0	(\$65,000)
Subtotal			(\$678,528)
<i>Increase Funding</i>			
20-21 Feed My Sheep in the High Desert	\$5,822	\$24,350	\$18,528
20-21 Microenterprise Assistance Program	\$0	\$660,000	\$660,000
Subtotal			\$678,528

FISCAL IMPACT

All funds impacted by the Substantial Amendment have previously been awarded to the Town and budgeted to the activities in Action Plans and Substantial Amendments previously adopted by the Town Council. The reprogramming of the \$678,528 will ensure that the Town’s CDBG funds are utilized to improve the quality of life for the residents. Town Council’s approval of the recommended action adopts the Substantial Amendment to the Action Plan thereby allocating those resources into the CDBG budget.

ATTACHMENTS

- A. None