

STAFF REPORT

Date: May 17, 2011

To: Board of Supervisors

From: Department of Human Services

Subject: Fiscal Year 2010-11 CDBG PTA Joint Allocation Application
Activities: Economic Development Plan for the Georgetown Divide
Community and a feasibility study to develop a new or expanded youth
facility for the Boys and Girls Club of El Dorado County at or near White
Rock Village apartments.

The Department of Human Services (DHS) is recommending the Board consider the adoption of a Resolution authorizing the submittal of a Fiscal Year 2010-11 Community Development Block Grant (CDBG) Planning and Technical Assistance (PTA) Application to the California Department of Housing and Community Development (HCD) for grants to provide up to \$35,000 to create a local economic development plan for the Georgetown Divide Community; up to \$70,000 to provide a feasibility study to develop a new or expanded youth center for the Boys and Girls Club at or near White Rock Village apartments in El Dorado Hills; committing \$3,500 in budgeted general funds and \$1,750 from the Economic Development Promotional Fund for staff support to meet the match requirement during the two-year grant term; authorizing the Chair to sign the Statement of Assurances; and if awarded, authorizing the Director of Human Services, or successor, contingent upon approval by County Counsel and Risk Management, to execute the grant agreement and subsequent amendments thereto that do not affect the dollar amount or the term and to sign other grant-related documents.

Background:

The Fiscal Year 2010-11 CDBG PTA Notice of Funding Availability (NOFA) was released on March 23, 2011, and combined the application process for the General Allocation and the Economic Development Allocation. Eligible activities include project specific studies (up to \$70,000 per study) and non-project specific studies (up to \$35,000 per study). An application for up to three activities may be submitted to HCD as of May 25, 2011, for a maximum total award of \$140,000 per jurisdiction.

Economic Development Allocation Application:

The Department of Human Services (DHS) received conceptual approval from the Board of Supervisors on April 6, 2010 (Refer 4/6/10 Item 15 #10-0292), to develop a FY 10-11 PTA application under the Economic Development Allocation for a non-project-specific study for the Georgetown Divide Community. The Georgetown Divide Community includes the localities of Cool, Garden Valley, Georgetown, Greenwood, Pilot Hill, Kelsey, Coloma and Lotus. This Economic Development Allocation activity, if successful, would result in a grant amount of up to \$35,000 (with a 5% County match as determined by the NOFA). The County match amount of up to \$1,750 for this activity will be met by the County Economic Development Promotion Fund. On August 10, 2010 the State Department of Housing and Community Development (HCD) suspended all CDBG NOFAs. On March 23, 2011, HCD released the FY 10-11 NOFA

and DHS has prepared the FY 10-11 PTA application for the Economic Development Allocation activity pursuant to the conceptual approval received on April 6, 2010.

The purpose of the Economic Development Allocation grant would be to prepare a study and produce an economic development plan for the Georgetown Divide Community to increase the economic capacity of the local area, improve its economic future and to identify and overcome barriers to future economic opportunities. The planning process is anticipated to build upon feedback received during community forums and include collaboration with the public, business and non-governmental partners to work collectively with the County Department of Human Services, the Development Services Department, the Office of Economic Development and others to plan a sustainable economic future for the Georgetown Divide Community.

General Allocation Application:

DHS received conceptual approval from the Board of Supervisors on May 3, 2011, to develop a FY 10-11 PTA application under the General Allocation activity for a feasibility study for the development of a new or expanded youth facility for the Boys and Girls Club at White Rock Village in El Dorado Hills (Refer 5/3/11 Item 12 #11-0450 Version1). This General Allocation activity, if successful, would result in a grant amount of up to \$70,000 (with a 5% County match as determined by the NOFA).

The Boys and Girls Club is a private non-profit entity that operates a successful youth program within the community clubhouse building at the White Rock Village apartments, a 168-unit affordable housing development owned and operated by Mercy Housing California. The program currently shares the community building with the apartment management offices and the County Office of Education's Head Start and State Preschool programs. Demand for participation in the Boys and Girls Club exceeds current building capacity. Participation is open to all community youth; however, current participants are all children of low-income residents of White Rock Village.

The purpose of this grant would be to perform a feasibility study for the remodel, expansion or reconstruction of the current facility or development of a new facility at or near White Rock Village apartments. It is anticipated that the study would include analysis of the physical, regulatory and financial constraints to create an appropriate space for the Boys and Girls Club program in El Dorado Hills. The information obtained from the study will be used to determine the optimal size for the project, to pursue CDBG and other grants and loans for project implementation and to determine the feasibility of expanding child care services at the site.

Should the PTA application be successful, County staff would administer the grants and a consultant would be hired through an RFP process to perform the studies. The level of environmental review required under the grant activities would be determined and completed as a part of the grant conditions as required by HCD and would be overseen by County staff.

Reason for Recommendation:

Economic Development Allocation

The Board approved submittal of applications for CDBG Economic Development Allocation Planning and Technical Assistance grants during both the 2008-09 and 2009-10 NOFA cycles for a non-project-specific study to develop an economic development plan for the Georgetown Divide Community. However, the annual CDBG allocations were already oversubscribed by the

time these applications were submitted, and no additional funding became available. The Georgetown Divide Community continues to desire a comprehensive economic development plan to expand the economic opportunities for job retention, creation and expansion in the area.

General Allocation

DHS proposes to use CDBG Planning grant funds to assist the Boys and Girls Club of El Dorado County Western Slope (“Club”), to perform a feasibility study for the remodel, expansion or reconstruction of the current facility or development of a new youth facility at or near White Rock Village apartments to serve the children of low-income families. It is anticipated that the study would include analysis of the physical, regulatory and financial constraints to create an appropriate space for the Club in El Dorado Hills. The information obtained from the study will be used to determine the optimal size for the project, to pursue CDBG and other grants and loans for project implementation and to determine the feasibility of expanding child care services at the site. If feasible, the construction of the improved facility would be completed within the next three to five years.

Proposed CDBG Grant Budget - Economic Development Allocation

Administrative Costs during Grant Term:	
CDBG PTA Funding - General Administration	\$ 1,750
County of El Dorado - Local Match Staff Time	<u>1,750</u>
Total General Administrative Costs during Grant Term:	<u>\$ 3,500</u>

Planning Activities during Grant Term:	
CDBG PTA Funding - Study	\$ 33,250
Total Study Expenditures during Grant Term:	<u>\$ 33,250</u>

Total Costs during Grant Term:	<u>\$ 36,750</u>
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Proposed CDBG Grant Budget - General Allocation

Administrative Costs during Grant Term:	
CDBG PTA Funding - General Administration	\$ 3,500
County of El Dorado - Local Match Staff Time	<u>3,500</u>
Total General Administrative Costs during Grant Term:	<u>\$ 7,000</u>

Planning Activities during Grant Term:	
CDBG PTA Funding - Study	\$ 66,500
Total Study Expenditures during Grant Term:	<u>\$ 66,500</u>

Total Costs during Grant Term:	<u>\$ 73,500</u>
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The County has an established system that complies with OMB Circular A-87 to track actual time worked in specific grants and allocates costs of wages and benefits to the appropriate funding source based on actual time worked. Other administrative costs to support the activities conducted under this grant, such as postage, office supplies and space costs are eligible grant expenditures and are included in the above proposed budget. Financial accomplishments and study activities conducted under the guidelines of this grant program are monitored by staff and reported to the California Department of Housing and Community Development.

At the conclusion of the grant term, study results will be presented to the Board of Supervisors in a publicly noticed meeting to inform the Board and the community of the results of the study and provide an opportunity for input.

Existing staff would be utilized to prepare an RFP for consultants to administer the activities under this grant. The level of environmental review required under the grant activities would be determined and completed as a part of the grant set up conditions as required by the State Department of Housing and Community Development (HCD) and would be overseen by County staff.

Next Steps:

- Department of Human Services to proceed with the submittal of the Fiscal Year 2010-2011 Community Development Block Grant Planning and Technical Assistance Joint Allocation Application to the California Department of Housing and Community Development.
- Upon receipt of the State Standard Agreement for the grant funding, if awarded, County Counsel and Risk Management approvals shall be obtained prior to the Department Director executing said Agreement.
- If grant funding is awarded, the Department of Human Services to proceed with the development of an RFP according to federal requirements to hire a consultant(s) to administer the activity/activities under this grant. County Counsel and Risk Management approvals shall be obtained prior to executing the Agreement.