



Community and Economic Development Department

Substantial Amendment to the Community Development Block Grant 2008-2009 Annual Action Plan

INTRODUCTION

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act (ARRA), or as referred to, the Recovery Act. On May 6, 2009, the Recovery Act posted funding allocations and program requirements for the use of Community Development Block Grant Recovery (CDBG-R). The Recovery Act will provide a total of \$244,277 in a one time allocation of CDBG-R funds to the City of Pico Rivera. Allocation amounts are available at <http://www.hud.gov/recovery/cdblock.cfm>. These funds are in addition to the current allocation the City received in 2008; however the funds will be treated as a separate allocation and will follow the requirements of the Recovery Act. In order to be eligible to receive CDBG-R funds the City is required to prepare and submit a draft amendment to the 2008-09 Annual Action Plan for the U.S. Department of Housing and Urban Development (HUD) approval by June 5, 2009. This proposed amendment will incorporate the CDBG-R fund amount, proposed activities, objectives, and the outcomes the City will use to administer, commit, and expend funds expeditiously by September 30, 2012.

The Recovery Act enables entitlement cities to use CDBG-R funds in a manner that maximizes job creation and provide long-term economic benefit. A portion of the CDBG-R allocation will be used for its general administration and will not exceed 10% of the allocation as required in the Recovery Act. The remaining portion of the allocation will be used for sidewalks, curbs, gutters, sewer lines, and street improvements located in the CDBG designated areas. These projects do meet the National Objective for eligible activities under CDBG regulations and the activity will be used to benefit 70% or more of persons of low and moderate income. The City selected this project understanding that priority would be given to projects that could be designed and begin construction within 120 days of funding awarded by HUD.

**CDBG-R FUNDING ALLOCATIONS FOR THE PROPOSED AMENDMENT OF THE
2008 ANNUAL ACTION PLAN**

PROPOSED ACTIVITY	REQUIREMENTS	TOTAL BUDGETED
General Administration	10% Cap for Administration	\$ 24,427
Targeted Public Improvement Projects	Benefit persons of low and moderate income	\$219,850
TOTAL BUDGETED CDBG-R FUNDS		\$244,277

GENERAL ADMINISTRATION

A portion of the CDBG-R funds will be allocated for its general administration which will be used for overall program management, coordination, and oversight of the CDBG-R program. As required in the Recovery Act guidelines, this portion will not exceed 10% of the CDBG-R allocation.

ELIGIBLE ACTIVITY

The project proposed by the City will maximize job creation and provide long term economic benefit through investment in job creation or retention, environmental protections, benefit persons of low and moderate income. This will spur economic growth by putting people back to work and alleviate the State’s unemployment rate which has risen to 11.2% as of March 2009. Although it will not resolve the economy’s recession, it will, however in combination with the total CDBG-R funds awarded to other jurisdictions throughout the State of California, make an impact by investment needed to increase economic efficiency, transportation, environmental protection, and infrastructure that will provide long-term economic benefits. The City will propose the following project:

1. Targeted Public Improvement Project – The goal for the CDBG-R funding will allow the City to make various public improvements to sidewalks, curbs, gutters, sewer lines, and streets in the eligible low and moderate-income CDBG designated areas. The improvements will remove and repair sidewalks, curbs, gutters sewer lines, and streets that have needed repair however no funding has been available. The objectives for the CDBG-R funds will serve the purpose in creating and retaining jobs, promoting economic recovery and assisting persons of low and moderate income by creating suitable living in the communities in which they live and work. The outcome will create ADA compliant sidewalks, allow persons to walk and travel without safety issues which will provide long-term economic benefits, environmental protection, reduce pollution, conserve energy and serve as a public benefit to low and moderate income persons. Materials to be used will be American made products and when permitted, be recycled to protect the environment and promote energy conservation.

Although the City is unable to accurately determine how many full and part-time jobs this activity will create or retain; it is estimated that the project may create and/or retain up to 25-30 full-time or 30-40 part-time jobs. Most importantly, CDBG-R funds will assist the construction industry most impacted by the recession.

This project falls into the Public Facilities and Improvements eligible activity (National Objective- 24 CFR 507-208(a) (1) and CDBG Citation 570.201 (c).

Funds to be allocated: \$ 219,850.

BUY AMERICAN PROVISION

Under Section 1605 of the Recovery Act requires that all iron, steel and manufactured goods used in construction, alteration for public work projects assisted with CDBG-R funds must be produced in the United States unless the City is able to provide documentation that goods to be used for a project are not reasonably available or produced in sufficient quantity in the United States, or the use of goods will increase the project cost by 25% or more.

CITIZEN PARTICIPATION AND PUBLIC COMMENT

HUD is waiving the requirement that the grantee follow its citizen participation plan for this substantial amendment. HUD is shortening the minimum time for citizen comments from 30 to 7 calendar days and requiring the draft amendment be posted on the grantee's website. The amendment to the 2008 Annual Action Plan will be available for public examination and copying starting Wednesday, May 27, 2009. Citizens wishing to comment on the draft amendment 2008 Annual Action Plan must do so in writing. Written comments will be accepted for a period of 7 calendar days from Wednesday, May 27, 2009 to no later than 5:30 p.m. on Tuesday, June 2, 2009. Written comments should be addressed to the City of Pico Rivera, Community and Economic Development, Housing Division 6615 S. Parsons Blvd. Pico Rivera, CA 90660, Attention: Christina Frausto-Lupo, Community & Economic Development Senior Manager.

Copies of the draft amendment of the 2008 Annual Action Plan will also be available from Wednesday, May 27, 2009 to no later than 5:30 p.m. on Tuesday, June 2, 2009. at the City of Pico Rivera Housing Division, City Clerk's Office, Pico Rivera Library, Rivera Library and on the City's website at www.pico-rivera.org .

PROVISIONS FOR NON-ENGLISH SPEAKING AND DISABLED PERSONS

The City of Pico Rivera has staff who can act as interpreters for residents seeking information regarding the CDBG-R Substantial Amendment to the FY 2008-2009; it can also be made available in enlarged print upon request. Please contact Christina Frausto-Lupo at (562) 801-4347.

Public comments received between Wednesday, May 27, 2009 through Wednesday, June 2, 2009:

CERTIFICATIONS AND REPORTS

The following certifications are following this substantial amendment to the 2008 Annual Action Plan:

CDBG-R SPREADSHEET

CDBG-R
Activity Data Spreadsheet

Jurisdiction/Grantee Name: City of Pico Rivera		CDBG-R Formula Grant Amount: \$244,277				Date: 06/03/09	
Activity Name	Activity Description	Eligibility (Regulatory or HCDA Citation)	National Objective Citation	CDBG-R Project Budget (\$)	Additional Recovery Funds (\$)	Other Leveraged Funding (\$)	Total Activity Budget
CDBG-R Administration	CDBG-R Program planning, oversights, and coordination.	24 CFR 570.206	N/A	\$24,427	\$0	\$0	\$24,427
Targeted Public Improvement Projects	Various improvements to curbs, gutters, sewer lines, sidewalks, and streets in eligible low and moderate-income CDBG designated areas.	24 CFR 570.201(c)	570.208(a) (1)	\$219,850	\$0	\$0	\$219,850
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