

THE SUBSTANTIAL AMENDMENT TO THE THE CDBG-R SUBSTANTIAL AMENDMENT

Jurisdiction(s): State of California	Contact Person: Thomas Brandeberry, CDBG Section Chief
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Overview

The California Department of Housing and Community Development (Department) requests to amend, upon HUD approval, the state of California 2008-2009 Annual Action Plan as allowed per the American Recovery and Reinvestment Act of 2009 (ARRA), Public Law 111-5. Title XII of Division A of ARRA appropriates \$1 billion in Community Development Block Grant (CDBG) funds to states and local governments to carry out, on an expedited basis, eligible activities under the CDBG Program. The grant program under Title XII is commonly referred to as the CDBG Recovery (CDBG-R) program.

The Department requests the full \$10,652,033 made available through the CDBG-R allocation formula process. The Department will set aside from the total award (less an amount retained for administration costs) 30 percent for economic development activities. The remaining balance will be considered a general allocation to fund a variety of CDBG-R eligible activities.

Per HUD guidelines, the grantee may utilize up to 10 percent of the overall funds for general administrative costs. For states, the 10 percent maximum applies to the state and all entities it funds. All eligible applicants, who are awarded CDBG-R funds by the state, will be allowed up to three percent of their allocation amount for general administration costs. The remaining balance will be retained by the state to administer the program.

Allocation

Economic Development

The Economic Development set aside has been used to fund 2009/2010 Economic Development applicants who have already submitted applications to the Department and whose projects met the CDBG-R Program criteria. The maximum grant amount for this set-aside allocation is \$2.5 million. This Substantial Amendment revises the proposed list of Economic Development projects to be funded under CDBG-R. All Economic Development activities funded will either 1) meet the Urgent Need National Objective as defined in Section E of HUD's CDBG-R Funding Notice (Docket No. FR-5309-N-01) or 2) benefit low and moderate income persons.

General

The General Allocation has been used to fund CDBG eligible projects that fell below the funding threshold of the 2008/2009 CDBG General Allocation distribution process, and which met the ARRA objectives of stimulating the economy through measures that modernize infrastructure, improve energy efficiency, and/or expand educational opportunities and access to

health care. All activities funded with the General Allocation will benefit low and moderate income persons. The Department has established the following thresholds in selecting projects from unfunded 2008 applications for CDBG-R funding:

- The projects must have been assigned a readiness score equal to or greater than 30 out of the maximum 50 points allowed per Title 25 CCR, Section 7078.5(b) (during the 2008 ranking process) and be able to demonstrate progress made since the submittal date of the application.
- The applicants must have all funding committed and have the ability to enter into contract based on a bidding process within 120 days of the date funds are made available by HUD to the Department.

The maximum amount that a project will receive is \$1 million, which includes general administration costs. Since the total amount of funds requested exceeded the total amount available for allocation, each application was evaluated, scored and ranked against all other applications meeting the threshold requirements above, based upon the following criteria:

- Preserving and creating jobs and promoting economic recovery;
- Assisting those most impacted by the recession;
- Providing investment needed to increase economic efficiency;
- Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
- Minimizing or avoiding reductions in essential services; or
- Fostering energy independence.

Ensuring Responsible Spending of Recovery Act Funds

Funding available under the Recovery Act has clear purposes – to stimulate the economy through measures that modernize the Nation’s infrastructure, improve energy efficiency, and expand educational opportunities and access to health care. HUD strongly urges grantees to use CDBG-R funds for hard development costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through rehabilitation or retrofitting of existing buildings. While the full range of CDBG activities are available to grantees, HUD strongly suggests that grantees consider the public’s perception of the intent of the Recovery Act when identifying and selecting projects for CDBG-R funding.

A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES

HUD Instructions

Grantees must provide information concerning CDBG-R assisted activities in an electronic spreadsheet provided by HUD. The information that must be reported in the spreadsheet includes activity name, activity description, CDBG-R dollar amount budgeted, eligibility category, national objective citation, additional Recovery Act funds for the activity received from other programs, and total activity budget. An electronic copy of the spreadsheet and the format is available on HUD’s recovery website at <http://www.hud.gov/recovery>.

Response

SEE ATTACHMENT

B. CDBG-R INFORMATION BY ACTIVITY

GENERAL ALLOCATION

Jurisdiction/Grantee: **City of Calipatria**

Activity Name:

CDBG-R Public Improvements (PI) – Rehabilitation of a Sewer Pump Station and Wet Well

Activity Narratives:

This activity aims to invest in infrastructure improvements and material will be purchased from a number of local suppliers. Furthermore, the construction of this project, if funded it will create about five temporary construction jobs. The project will serve a population with a significant sector of lower income individuals which are the ones who are impacted most by the recession. Increased efficiency and energy conservation will be achieved by replacing the pump with a new higher-capacity pump.

Jobs Created:

The City is estimating the creation of 3 Full-Time Public Works personnel & 5 Temporary Construction jobs. Supporting additional professional jobs with engineering professionals.

Additional Activity Information:

This application and project proposal consists of the improvement and rehabilitation of the Delta Pump Station Wet Well chamber including replacement of one deteriorated pump within the dry well. The Delta Pump Station is currently at risk of collapse and is difficult to maintain due to risks of injury. This contributes to inefficiencies and increased of level of pollutants. Carrying out the proposed activity would allow for the replacement of the one (1) deficient (out of the existing three) centrifugal raw wastewater pumping units at the Pump Station. In addition, one (1) deteriorated (out of existing three) 700 gallons per minute pumps would be replaced with a new 750 gallons per minute pumps (an existing unit was replaced with a 750 gallons per minute pump in 2006 and the third pump is used as a stand-by).

Proposed CDBG-R Funds Allocation:

\$863,695

Responsible Organization(s):

Grantee Name	City of Calipatria
Name of Entity or Department Administering Funds	City of Calipatria (in-house staff)
CDBG-R Contact Person	Justina Arce
Title	Planning Consultant (Holt Group)
Address (Line 1)	1601 North Imperial Avenue
Address (Line 2)	
City, State, Zip Code	El Centro, CA 92243
Telephone	(760) 337-3383

Fax	(760) 348-5997
Email Address	justina@theholtgroup.net
Authorized Official (if different from contact person)	Romualdo Medina
Title	City Manager
Address (Line 1)	125 N. Park Avenue
Address (Line 2)	
City, State, Zip Code	Calipatria, CA 92233
Telephone	(760) 348-4141
Fax	(760) 348-7035
Email Address	Rj_medina@calipatria.com

Jurisdiction/Grantee: **County of Tulare**

Activity Name:

CDBG-R Public Infrastructure (PI) – Richgrove Alley Project

Activity Narratives:

Currently, the alleys in the community of Richgrove are unpaved and, at certain times of the year, impassable. This activity aims to invest in infrastructure improvements while promoting energy conservation and improved energy efficiencies that will provide future economic benefit. CDBG-R funds will allow the County to undertake these improvements while providing for energy efficiency installations in CDBG eligible areas. Additionally, with the award of construction contracts the County will be able to quickly create a significant number of jobs.

Jobs Created:

Under this specific activity the County estimates a total of 26 new full-time (20 TIG) construction jobs and 4 full-time (2 TIG) temporary construction jobs will be created. The County also estimates this project will create the need to retain 3.5 (TIG) full-time (FTE) permanent jobs after project completion.

Additional Activity Information:

The County will be employing green building technologies to incorporate both energy and water conservation measures throughout the design and completion of this alley improvement project. The project calls for the use of porous pavers that allow storm water to percolate into the ground rather than having to be channeled into a retention basin thereby directly recharging groundwater tables.

Proposed CDBG-R Funds Allocation:

\$862,942

Responsible Organization(s):

Grantee Name	County of Tulare
Name of Entity or Department Administering Funds	County of Tulare (in-house staff)
CDBG-R Contact Person	Laurie Mercer
Title	Manager, Grants, Housing & Project Development
Address (Line 1)	5961 S. Mooney Blvd.

Address (Line 2)	
City, State, Zip Code	Visalia, CA 93277
Telephone	(559) 733-6653 Ext. 4307
Fax	(559) 730-2591
Email Address	lmercer@co.tulare.ca.us
Authorized Official (if different from contact person)	Phillip Cox
Title	Chairman, Board of Supervisors
Address (Line 1)	2800 W. Burrell Street
Address (Line 2)	
City, State, Zip Code	Visalia, CA 93277
Telephone	(559) 636-5000
Fax	
Email Address	

Jurisdiction/Grantee: City of Parlier

Activity Name:

CDBG-R Public Facility (PF) – Construction of Youth/Cooling Center

Activity Narratives:

This activity aims to invest in new facilities and infrastructure improvements while promoting energy conservation and improved energy efficiencies that will provide future economic benefit. CDBG-R funds will allow the City to provide a new, much needed, highly energy efficient public facility in a CDBG eligible area. Additionally, the award of construction contracts will allow the City the ability to quickly create a significant number of jobs.

Jobs Created:

The City is estimating the creation of 23 new full-time (TIG) and 50 part-time (TIG) jobs. 25 (5 full-time, 20 part-time) will be construction related, however, the City is also estimating that 46 of these newly created jobs will be permanent (18 full-time & 30 part-time) 100% TIG.

Additional Activity Information:

The City will be employing green building strategies and technologies to incorporate energy conservation measures. The Cooling Center will provide an essential service that is not currently available in the community and will reduce the burden on medical care and emergency services. The project also promotes reduced pollution emissions as the new facility will allow individuals to travel far fewer miles to access essential services. In fact, the proposed location (proximity within the city) will allow many recipients the ability to walk to the facility - eliminating the need to drive at all. In addition, the project design calls for the use of solar technologies to supplement other energy sources as well as the use of solar and energy efficient appliances.

Proposed CDBG-R Funds Allocation:

\$967,541

Responsible Organization(s):

Grantee Name	City of Parlier
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Name of Entity or Department Administering Funds	City of Parlier (in-house staff)
CDBG-R Contact Person	Patricia Barboza
Title	Finance Director
Address (Line 1)	1100 East Parlie Avenue
Address (Line 2)	
City, State, Zip Code	Parlier, CA 93648
Telephone	(559) 646-3545 Ext. 222
Fax	(559) 646-0416
Email Address	findir@parlier.ca.us
Authorized Official (if different from contact person)	Lou Martinez
Title	City Manager
Address (Line 1)	1100 East Parlie Avenue
Address (Line 2)	
City, State, Zip Code	Parlier, CA 93648
Telephone	(559) 646-3545 Ext. 232
Fax	(559) 646-0416
Email Address	citymanager@parlier.ca.us

Jurisdiction/Grantee: Town of Mammoth Lakes

Activity Name:

CDBG-R - Rental Housing Project

Activity Narratives:

Development in the Town of Mammoth Lakes is limited by an Urban Growth Boundary, which defines the extent of new construction. In response to the demand for affordable housing the Town has decided to acquire and rehabilitate an existing structure in order to provide affordable housing to low income individuals. The three unit complex consists of two one-bedroom units and one four-bedroom unit. The complex (in need of rehabilitation) will serve TIG households who are currently over paying and/or living in over crowded conditions. The complex is located within an existing residential neighborhood that is served by local transit.

Jobs Created:

Under this specific activity the Town estimates a total of 11 new full-time (5 TIG) construction jobs. The Town also estimates this project will create the need to retain 5 part-time jobs.

Additional Activity Information:

The County will be employing green building technologies to incorporate both energy conservation and smart growth measures through the completion of this project. New insulation, appliances, finish and fixtures will upgrade the complex to much more efficient standards. All units, fixtures, and appliances will be Energy Star rated, reducing energy costs for tenants.

Proposed CDBG-R Funds Allocation:

\$1,000,000

Responsible Organization(s):

Grantee Name	Town of Mammoth Lakes
Name of Entity or Department Administering Funds	Mammoth Lakes Housing, Inc.
CDBG-R Contact Person	Pam Hennarty
Title	Executive Director
Address (Line 1)	587 Old Mammoth Rd # 5
Address (Line 2)	
City, State, Zip Code	Mammoth Lakes, CA 93546
Telephone	(760) 934-4740
Fax	(760) 934-4724
Email Address	pam@mammothlakeshousing.org
Authorized Official (if different from contact person)	Robert Clark
Title	Town Manager
Address (Line 1)	P.O. Box 1609
Address (Line 2)	
City, State, Zip Code	Mammoth Lakes, Ca. 93546
Telephone	(760) 934-8989
Fax	(760)934-7493
Email Address	rclark@ci.mammoth-lakes.ca.us

Jurisdiction/Grantee: City of Firebaugh

Activity Name:

CDBG-R Public Infrastructure (PI) – Replacement of Streetlights

Activity Narratives:

Due to serious health and safety issues related to the corrosion of the pole and bolting systems, the City of Firebaugh is proposing to replace 45 street lights along the two main streets in the City of Firebaugh downtown area. The project is located in the center of the City of Firebaugh. This area encompasses the central business district as well as the area around the Fire and Police Department, Post Office, School, City Hall and other service business and intermixed single family housing.

The existing street lights were installed in the early 1950's and have been in use over 55 years. Recently, one pole fell across the adjacent roadway due to the severity of the corrosion. Since the application was submitted an additional 4 poles have been removed. The City Building official has conducted a random audit of 25 poles and the bolting systems and found 100% of the poles inspected were facing imminent failure and need to be replaced immediately.

As of March 2009 the EDD reported the City of Firebaugh as a 26.3% unemployment rate. This community has been hit hard during this economic downturn. The annual average unemployment for this community was 18.7% according to the EDD 2008 average. The community employment depends heavily on the farm community and with the recent land retirements, reduction in water allocations and economic downturn the jobs have not been produced for the farm working community. This has resulted in many families being out of

work year round rather than just seasonally.

Jobs Created:

The City estimates the project will retain approximately 10 full-time construction jobs and create 4 full-time construction jobs and retain 2 part time engineering jobs. Additionally, the project will retain 2 permanent public works positions due to maintenance and servicing requirements of the new solar light system.

Additional Activity Information:

The new lights will be a combination solar unit and will greatly reduce energy consumption and maintenance costs. Currently, the City pays over \$300 to replace a single light bulb in each of the existing street lights, because they are required to hire a “boom” operator to hoist the maintenance employee up to the light fixture to replace a bulb. The City does not own a boom that will reach the current lights, thus more costs are incurred. With the installation of the new street lights, the City will no longer require such equipment as the new lights will be on a lower pole and accessible to the maintenance staff. The City currently is required to budget \$45,000 per year to care for the lighting system.

This project provides the City with the necessary lighting system to promote the downtown businesses and encourage residents to utilize local shopping opportunities. The City believes with the installation of these lights not only will it provide the community and business with a safe corridor but will also greatly increase the access to businesses, promoting a stronger local economy.

Proposed CDBG-R Funds Allocation:

\$470,696

Responsible Organization(s):

Grantee Name	City of Firebaugh
Name of Entity or Department Administering Funds	Adams Ashby Group
CDBG-R Contact Person	Paul Ashby
Title	Principal
Address (Line 1)	770 L Street – Suite 950
Address (Line 2)	
City, State, Zip Code	Sacramento, Ca. 95814
Telephone	(916) 449-3944
Fax	(916) 449-3944
Email Address	pashby@adamsashbygroup.com
Authorized Official (if different from contact person)	Jose Ramirez
Title	City Manager
Address (Line 1)	1133 P Street
Address (Line 2)	
City, State, Zip Code	Firebaugh, Ca. 93622
Telephone	(559) 659-2043
Fax	(559) 659-3412
Email Address	citymanager@ci.firebaugh.ca.us

Jurisdiction/Grantee: City of Tulelake

Activity Name:

CDBG-R Public Infrastructure (PI) – Repair of Water Treatment Facility

Activity Narratives:

The City of Tulelake is proposing to rehabilitate a city water pump and treatment building that were damaged in a 1993 earthquake. There is damage to the water pump itself, damage to the water treatment building, leaking pipes and a failed emergency generator. A minor earthquake could completely collapse the treatment building and leave the low income community without any source of drinking water. This project will complete all necessary repairs needed to continue to provide the community with safe clean drinking water.

Jobs Created:

The City estimates the project will create 2 full-time construction jobs and 1 part-time construction job.

Additional Activity Information:

The city will install solar panels onto the pump house and pressure facilities which will reduce overall energy consumption.

Proposed CDBG-R Funds Allocation:

\$284,132

Responsible Organization(s):

Grantee Name	City of Tulelake
Name of Entity or Department Administering Funds	City of Tulelake
CDBG-R Contact Person	Joe Cordonier
Title	City Clerk
Address (Line 1)	P.O. Box 847
Address (Line 2)	
City, State, Zip Code	Tulelake, Ca. 96134
Telephone	(530) 667-5522
Fax	(530) 667-5351
Email Address	cityoftulelake@cot.net
Authorized Official (if different from contact person)	Same
Title	
Address (Line 1)	
Address (Line 2)	
City, State, Zip Code	
Telephone	
Fax	
Email Address	

Jurisdiction/Grantee: City of Anderson

Activity Name:

Public Improvements - Water System

Activity Narratives:

This project aims to benefit primarily lower-income residential users by improving current public service levels while creating immediate job opportunities. The project will connect the main pressure zone of the City's public water system to remote residential users. The area is comprised of approximately 24 families who do not currently have access to public water service, relying entirely on aging private wells for all their water needs. The project also includes the installation of 4 new fire hydrants which will bring a greater level of fire fighting storage and capacity to the neighborhood.

Maximizing Job Creation and Economic Benefit:

During construction, contractors and subcontractors will be employed. The City estimates that construction will take approximately two to three months to complete and will employ an estimated 5 to 7 full time construction workers.

Additional Activity Information:

This project addresses two primary health and safety concerns; 1) insufficient water flows for fire suppression, and, 2) septic seepage into area ground water supplies. With regard to the issue of fire suppression, the local fire department has no immediate access to fire water. The area to be served is rural in nature with abundant native vegetation which creates severe seasonal fire hazards. There is only one fire hydrant in the project area at this time which is inadequate to protect and serve a neighborhood of this size. Secondly, water contamination has been caused by failing septic systems that were installed prior to 1960. The project area has experienced long-term leaching issues with residents complaining about wells drying up in the summer along with consistent year-round reports of poor tasting and discolored water.

Proposed CDBG-R Funds Allocation:

\$ 370,548

Responsible Organization(s):

Grantee Name	City of Anderson
Name of Entity or Department Administering Funds	City of Anderson
CDBG-R Contact Person	Dana Shigley
Title	Assistant City Manager
Address (Line 1)	1887 Howard Street
Address (Line 2)	
City, State, Zip Code	Anderson, CA 96007
Telephone	(530) 378-6670
Fax	(530) 378-6648
Email Address	dshigley@ci.anderson.ca.us
Authorized Official (if different from contact person)	Scott Morgan
Title	City Manager
Address (Line 1)	1887 Howard Street
Address (Line 2)	
City, State, Zip Code	Anderson, CA 96007
Telephone	(530) 378-6646

Fax	(530) 378-6648
Email Address	smorgan@ci.anderson.ca.us

Jurisdiction/Grantee: **City of Etna**

Activity Name:

CDBG-R Public Improvement (Infrastructure)

Activity Narratives:

This activity aims to invest in infrastructure and energy efficiency that will provide immediate and future economic benefit. CDBG-R will provide funds to undertake the repair, upgrade and improvement of currently substandard public water systems (water lines and fire hydrants) in identified CDBG eligible areas of the City. Funding for this project will bring federal funds into the local jurisdiction, addressing the intent of the Recovery Act by modernizing infrastructure and creating much needed immediate employment opportunity.

Jobs Created:

Under this activity the City is estimating that the full time equivalent (FTE) of one (1) full-time and four (4) part-time construction jobs will be created.

Additional Activity Information:

In the proposed activity, the City will be employing the newest “green” construction techniques and technologies to incorporate energy and water conservation to repair and upgrade their currently substandard residential fire flow and improve service to the city’s fire and water service areas. The project will boost water pressure by 1,000 gpm by replacing four pressure reducing valves separating two pressure zones, replace undersized water lines, add additional fire hydrants and install flow meters on each side of the water treatment plant.

Proposed CDBG-R Funds Allocation:

\$ 219,555

Responsible Organization(s):

Grantee Name	City of Etna
Name of Entity or Department Administering Funds	City of Etna (in-house staff)
CDBG-R Contact Person	Pamela Russell
Title	City Clerk
Address (Line 1)	442 Main Street
Address (Line 2)	
City, State, Zip Code	Etna, CA 96027
Telephone	530-467-5656
Fax	530-467-3217
Email Address	etnacity@sisqtel.net
Authorized Official (if different from	N/A

contact person)	
Title	N/A

Jurisdiction/Grantee: County of Glenn

Activity Name:

CDBG-R Public Infrastructure (PI) – Hamilton City Storm Drain Improvement Project

Activity Narratives:

This activity aims to invest in infrastructure improvements while promoting smart growth. The Hamilton City Storm Drain Improvement Project will be built to include additional capacity to accommodate future growth in and around Hamilton City. This will facilitate future development to occur adjacent to the existing amenities of Hamilton City, schools, commercial establishments and public transportation routes. CDBG-R funds will allow the County to undertake the replacement of existing infrastructure and extend storm water drainage to areas of the community currently un-served. Additionally, with the award of construction contracts the County will be able to retain a significant number of jobs.

Jobs Created:

Under this specific activity the County estimates 1 new part-time construction job will be created. The County also estimates this project will provide for the retention of 3.5 permanent jobs after project completion.

Additional Activity Information:

Replacement of existing infrastructure will allow the County to reduce the need for maintenance and therefore reduce vehicle miles traveled to perform the maintenance as well as equipment hours to perform the maintenance and reduce pollution emissions. Underground storm drainage is the necessary first step in facilitating the development of sidewalks and thereby promotes pedestrian travel versus vehicle travel within the community.

Proposed CDBG-R Funds Allocation:

\$916,659

Responsible Organization(s):

Grantee Name	County of Glenn Planning and Public Works Agency
Name of Entity or Department Administering Funds	County of Tulare (in-house staff)
CDBG-R Contact Person	Arnica MacCarthy
Title	Assistant Planner
Address (Line 1)	526 West Sycamore Street
Address (Line 2)	
City, State, Zip Code	Willows, CA 93988
Telephone	(530) 934-6540
Fax	(530) 934-6533
Email Address	amaccarthy@countyofglenn.net
Authorized Official (if different from	David J. Shoemaker

contact person)	
Title	Interim Director
Address (Line 1)	526 West Sycamore Street
Address (Line 2)	
City, State, Zip Code	Willows, CA 95988
Telephone	(530) 934-6400
Fax	(530) 934-6419
Email Address	dshoemaker@countyofglenn.net

Jurisdiction/Grantee: **City of Fort Bragg**

Activity Name:

CDBG-R Housing Rehabilitation Project (HR) – Fort Bragg Public Housing Rehabilitation Projects
 Glass Beach Public Housing Development – 15 Units
 Sanderson Way Village – 9 Units
 Sea Cliff Public Housing Development – 19 Units

Activity Narratives:

CDBG-R funds will allow the City to provide a total of 43, much needed, low-income rehabilitated rental apartment units. This activity aims to invest in existing housing while promoting energy efficiency through sub-recipient commitments that prioritize energy efficient improvements as part of the rehabilitation activities. These improvements include installation of Energy Star appliances, plumbing improvements to generate water efficiencies, improvements to indoor environmental quality and use of green building materials and resources. The improvements are intended to conform to state energy and environmental goals and will result in long-term, sustainable housing units with environmental benefits as well as cost savings and economic efficiencies for low-income residents. Additionally, with the award of construction contracts the City will be able to create a significant number of jobs.

Jobs Created:

Under this specific activity the City estimates a total of 20 (10 TIG) full-time construction jobs and 2 (1 TIG) full-time temporary construction jobs will be created. The City also estimates this activity will create the need to retain 1 (TIG) half-time permanent position as a result of this project.

Additional Activity Information:

Rehabilitation of existing housing will provide critically needed health and safety improvements to 42 deteriorating low-income family housing units, ensuring their availability for Fort Bragg’s growing population of under-employed and other low-income residents.

Proposed CDBG-R Funds Allocation:

\$813,917

Responsible Organization(s):

Grantee Name	City of Fort Bragg
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Name of Entity or Department Administering Funds	Community Development Commission of Mendocino County (sub-recipient)
CDBG-R Contact Person	Jennifer Owen
Title	Housing and Economic Development Coordinator
Address (Line 1)	416 North Franklin Street
Address (Line 2)	
City, State, Zip Code	Fort Bragg, CA 95437
Telephone	(707) 961-2823
Fax	(707) 961-2802
Email Address	jowen@fortbragg.com
Authorized Official (if different from contact person)	Linda Ruffing
Title	City Manager
Address (Line 1)	416 North Franklin Street
Address (Line 2)	
City, State, Zip Code	Fort Bragg, CA 95437
Telephone	(707) 961-2823
Fax	(707) 961-2802
Email Address	lruffing@fortbragg.com

ECONOMIC DEVELOPMENT ALLOCATION

Jurisdiction/Grantee: County of Mendocino

Activity Name: Agwood Mill and Lumber Company

Activity Narrative:

Agwood is a family owned lumber and milling company established in 1980 and currently employees. In an effort to continue to operate the mill and retain the 34 Full Time Equivalent jobs, the company is requesting \$2,017,917 for the purpose of providing working capital and restructuring high interest debt. In addition to the proposed CDBG-R funds, a commitment has been made from the current lender to restructure their existing debt. In response to the economic downturn, the reduced market, and lower profit margin derived from Douglas Fir log milling compared to Redwood log milling, Agwood is in the process of accelerating Redwood log procurement, milling, and selling activities. The funding of this project will assist in retaining 34 full time mill employees in an area rural of Northern California that has experienced numerous other mill closures and is currently one of the hardest hit areas of unemployment in the State. Maintaining the Agwood mill operation will be a huge step in promoting the economic recovery in the area.

Jobs Retained:

The business anticipates retaining 34 full time equivalent jobs.

Responsible Organization:

Grantee Name	County of Mendocino
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Name of Entity or Department Administering Funds	County of Mendocino
CDBG-R Contact Person	Steve Dunnicliff
Title	Administrative Analyst
Address (Line 1)	Executive Office
Address (Line 2)	501 Low Gap Road, Room 1010
City, State, Zip Code	Ukiah, CA 95482
Telephone	(707) 463-4441
Fax	(707) 463-5549
Email Address	dunnicls@co.mendocino.ca.us
Authorized Official (if different from contact person)	
Title	
Address (Line 1)	
Address (Line 2)	

Activity Narrative:

Roplast is a long time plastic's manufacturer that is requesting over one million dollars in funds to purchase equipment that will allow the business to expand their operations using recycled plastic materials. The company will use ground up drip irrigation line material from farms down in San Joaquin Valley. Recycling waste plastic pipe will minimize plastic waste stream to landfills. This ground up plastic material will be used to produce reusable plastic bags. This project will create manufacturing jobs and promote economic recovery in the City of Oroville. The low/moderate income service sector workforce most impacted by the downturn in local recreational activities will be assisted by the creation of job opportunities.

Jobs Created:

The business anticipates creating 20 full time jobs.

Additional Activity Information:

The project will reduce plastic waste stream into landfills.

Proposed CDBG-R Funds Allocation: \$1,115,000

Jurisdiction/Grantee: **City of Oroville**

Activity Name:

Roplast Plastics Manufacturer

Activity Narrative:

Roplast is a long time plastic's manufacturer that is requesting over one million dollars in funds to purchase equipment that will allow the business to expand their operations using recycled plastic materials. The company will use ground up drip irrigation line material from farms down in San Joaquin Valley. Recycling waste plastic pipe will minimize plastic waste stream to landfills. This ground up plastic material will be used to produce reusable plastic bags. This project will create manufacturing jobs and promote economic recovery in the City of Oroville.

The low/moderate income service sector workforce most impacted by the downturn in local recreational activities will be assisted by the creation of job opportunities.

Jobs Created:

The business anticipates creating 20 full time jobs.

Additional Activity Information:

The project will reduce plastic waste stream into landfills.

Proposed CDBG-R Funds Allocation:

\$1,115,000

Responsible Organization:

Grantee Name	City of Oroville
Name of Entity or Department Administering Funds	City of Oroville
CDBG-R Contact Person	Rick Farley
Title	Enterprise Zone and Business Assistance Coordinator
Address (Line 1)	1735 Montgomery Street
Address (Line 2)	
City, State, Zip Code	Oroville, CA 95965
Telephone	(530) 538-4307
Fax	
Email Address	farleyrc@cityoforoville.org
Authorized Official (if different from contact person)	Sharon L. Atteberry
Title	City Administrator
Address (Line 1)	1735 Montgomery Street
Address (Line 2)	
City, State, Zip Code	Oroville, CA 95965
Telephone	(530) 538-2535
Fax	(530) 538-2539

C. PUBLIC COMMENT

In accordance with HUD requirements, the CDBG-R Substantial Amendment to the 2008 Annual Plan (Amendment) was made available to the public for a comment period of seven calendar days (06/18/09 – 06/25/09). The Department has posted the Amendment, and will post any subsequent amendments on its official website. Copies of the Amendment were also provided to various libraries throughout the state. In addition, the Department held three public hearings to solicit comments on the Amendment prior to its final publishing on June 29, 2009. The Department received one comment on the Amendment. The comment and the Department's response are provided below.

Comment

The CDBG-R Substantial Amendment does NOT address the CDBG General Allocation for the 2009-2010 applications that are due by July 14, 2009. These applications are being submitted based on additional funding being available through the American Recovery and Reinvestment Act, and the CDBG-R Substantial Amendment EXCLUDES these from being considered. Even though the applicants will not be notified until October 2009, there are many projects that are ready to go and should be considered for the additional funding.

Department Response

The California Department of Housing & Community Development (HCD) exercised very careful consideration regarding the selection of eligible CDBG-R program/project applications. To most expediently, efficiently and successfully fulfill the goals and objectives of the American Recovery and Reinvestment Act of 2009 (ARRA), the Department has elected to adopt and execute an approach suggested by the Department of Housing and Urban Development (HUD) in their Notice of Program Requirements for Community Development Block Grant Program Funding Under the American Recovery & Reinvestment Act of 2009 which reads (in part):

States should consider whether their existing method of distribution processes can be employed to fund worthwhile activities that fell below the funding cut-off line from their program year 2008 distribution process, or to fund applications already submitted for their program year 2009 distribution process.

In applying this approach, the department reviewed all unfunded 2008 grant applications receiving a minimum score of 30 readiness points (or more) under the 2008 rating and ranking criteria. Each jurisdiction was contacted to confirm the program/project was still needed/desired, and to confirm whether the proposed project/program would be able to complete the bid process and be under contract within no more than 120 days of approval. Each application was then further analyzed to determine that it would/could meet (or exceed) the specific National objectives and achieve the clear purposes for use of funds as prescribed under ARRA. As time is especially of the essence concerning CDBG-R funding, it is our firm belief that the approach we elected will result in the most appropriate and most prudent application of available CDBG-R funding.

On March 4, 2010, the DRAFT Substantial Amendment to the Substantial Amendment to the 2008 Annual Plan was made available to the public for a comment period beginning March 8, 2010 and ending March 16, 2010. No public comments were received.

Substantial Amendment to the CDBG-R Substantial Amendment Grantee Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the CDBG-R Substantial Amendment, Spreadsheet for Reporting Proposed CDBG-R Activities, and SF-424.

Contents of a CDBG-R Action Plan Substantial Amendment

Jurisdiction(s): State of California	Contact Person: Thomas Brandeberry, CDBG Section Chief
Jurisdiction Web Address: http://www.hcd.ca.gov/	Address: 1800 3 rd Street, Suite 330 Sacramento, CA. 95811
	Telephone: (916) 327-3613
	Fax: (916) 319-8488
	Email: tbrandeberry@hcd.ca.gov

The elements in the substantial amendment required for the CDBG recovery funds are:

A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES

Does the submission contain a paper copy of the Spreadsheet for Reporting Proposed CDBG-R Activities?

Yes No Verification found on page **See Attachment**

Does the submission include an electronic version of the Spreadsheet for Reporting Proposed CDBG-R Activities sent to the email box CDBG-R@hud.gov?

Yes No Date Spreadsheet was emailed: **03/22/10**

Does the Spreadsheet for Reporting Proposed CDBG-R Activities include, for each activity:

- amount of funds budgeted for each activity, including CDBG-R funds, any additional Recovery Funds used and total activity budget,
Yes No Verification found on page(s) **See Attachment**
- the Eligibility citation (eligibility regulatory cite or HCDA cite),
Yes No Verification found on page(s) **See Attachment**
- the CDBG national objective citation,
Yes No Verification found on page(s) **See Attachment**

B. CDBG-R INFORMATION BY ACTIVITY

Does the submission contain information by activity describing how the grantee will use the funds, including:

- a narrative for each activity describing how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit,
Yes No Verification found on page(s) **Pages 3 - 16**
- projected number of jobs created for each activity,
Yes No Verification found on page(s) **Pages 3 - 16**
- whether an activity will promote energy efficiency and conservation,
Yes No Verification found on page(s) **Pages 3 - 16**
- the name, location, and contact information for the entity that will carry out the activity,
Yes No Verification found on page(s) **Pages 3 - 16**
- evidence that no more than 10% of the grant amount will be spent on administration and planning,
Yes No Verification found on page (s) **Page 1**
- evidence that no more than 15% of the grant amount will be spent on public services,
Yes No Verification found on page (s) **N/A – No Public Services Funded**
- evidence that at least 70% of the grant amount will benefit persons of low and moderate income,
Yes No Verification found on page (s) **Pages 1 and 2**

C. PUBLIC COMMENT PERIOD

Was the proposed action plan amendment published via the jurisdiction’s usual methods and on the Internet for no less than 7 calendar days of public comment?

Yes No Verification found on page(s) **Page 17**

Is there a summary of citizen comments included in the final amendment?

Yes No Verification found on page(s) **Page 17**

D. STATE CERTIFICATIONS

The following certifications are complete and accurate:

- | | | |
|---|---|-----------------------------|
| (1) Affirmatively furthering fair housing | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-displacement and relocation plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (3) Drug-free Workplace | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (4) Anti-lobbying | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (5) Authority of State | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (6) Consistency with plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (7) Section 3 | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (8) Community development plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (9) Consultation with Local Governments | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use of Funds | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (11) Excessive Force | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

- | | | |
|--|---|-----------------------------|
| (12) Compliance with anti-discrimination laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (13) Compliance with laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with ARRA | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (15) Project selection | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (16) Timeliness of infrastructure investments | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (17) Buy American provision | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (18) Appropriate use of funds for infrastructure investments | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (19) 70% of CDBG-R for LMI | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| Optional Certification | | |
| (20) Urgent Need | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |