



Staff Report

City Council

Item No. 4.A

Meeting Date: May 8, 2024

From: John A. Corella - Director of Engineering and Public Works

Title: Approve the CDBG FY 2024-2025 Annual Action Plan

RECOMMENDATION:

To approve the FY 2024-2025 Community Development Block Grant (CDBG) Annual Action Plan for submittal to the U.S. Department of Housing and Urban Development (HUD); and, authorize the City Manager or designee to execute the required certifications; and, execute all funding agreements and documents consistent with the FY 2024-2025 Annual Action Plan.

BACKGROUND:

The Community Development Block Grant (CDBG) program, awarded from U.S. Department of Housing and Urban Development (HUD), allows Cathedral City to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and improving community facilities and services, principally for low-to-moderate (low-mod) income individuals.

As an entitlement City, Cathedral City receives annual entitlement funds to address the priority needs of the community which are outlined in the 5-Year Consolidated Plan (Con Plan). In consistency with the 5-Year Con Plan and as part of the Con Plan objectives, the Annual Action Plan (AAP) identifies how CDBG funds will be allocated in the upcoming fiscal year.

HUD has not released the information on the City's FY 2024-2025 CDBG allocation. The allocation amount is expected to be available in September 2024.

At the March 27, 2024, City Council Study Session, staff presented the draft of the proposed FY 2024-2025 AAP to the City Council for review and comments. At this meeting, there were no modifications recommended by the City Council to the proposed FY 2024-2025 AAP.

Per the City's adopted Community Participation Plan (CPP), an advertisement for "Notice of Availability for Review and Comments" (Notice) was published in the Desert Sun on March 31, 2024. The Notice was posted at the following sites: Cathedral City City Hall, Cathedral City Senior Center, Boys and Girls Club of Cathedral City, and Cathedral City Library. The draft document of the FY 2024-2025 AAP was also available to the public and the community at the Cathedral City City Hall and the Cathedral City Library for a period of thirty (30) days.

DISCUSSION:

Cathedral City CDBG FY 2024-25 AAP

For this fiscal year, city staff is proposing the allocation of funds as shown in the following table:

ADMINISTRATIVE (≤20%)	FUNDING
Total Funding Allocated	\$ 114,000

PUBLIC SERVICES (≤15%)	FUNDING
Total Funding Allocated	\$ -

PUBLIC IMPROVEMENTS (>80%)	FUNDING
Whitewater Area Street Rehabilitation	\$ 451,000
Sidewalk Repair Assistance Program	\$ 5,000
Total Funding Allocated	\$ 456,000

TOTAL FUNDING	\$ 570,000
----------------------	-------------------

According to the Waiver of 24 CFR 91.105 and 24 CFR 91.115 that was sent to all entitlement grantees, the Community Participation Plan also requires the City hold one public hearing to allow anyone interested in the process an opportunity to share their opinion regarding the types of programs and services described in the 5-Year Consolidated Plan and the Annual Action Plan. A public hearing will be held tonight, May 8, 2024, during the regularly scheduled City Council meeting. Please note there were no public comments received during the 30-day commenting period.

FISCAL IMPACT:

All funding through the CDBG Program is on a reimbursement basis based on the Annual Action Plan entitlement amounts. The Public Improvement Whitewater Area Street Rehabilitation Project Phase will be brought before the City Council for approval within FY 2024-2025 for construction services.

Note: Later in this meeting, city staff will be presenting a separate staff report proposing a provider for fair housing support services to be funded from the available CDBG Administrative Funding allocation.

FIVE-YEAR STRATEGIC PLAN:

GOAL B: COMMUNITY INVESTMENT

Objective: Cathedral City roads, gateways, public spaces, and other city infrastructure are well planned, designed, constructed, and maintained.

Action B-15: Explore providing a General Fund Capital Projects Fund for roadway improvements as part of development of the next Biennial Budget.

ATTACHMENTS:

1. FY 2024-2025 Final Draft CDBG Annual Action Plan