



MEETING DATE: 12/5/05
ITEM NO. 3

COUNCIL AGENDA REPORT

DATE: November 22, 2005
TO: MAYOR AND TOWN COUNCIL
FROM: DEBRA J. FIGONE, TOWN MANAGER 
SUBJECT: ADOPT A RESOLUTION AUTHORIZING THE TRANSFER OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS AND RELATED BUDGET ADJUSTMENTS

RECOMMENDATION:

Adopt a resolution authorizing the transfer of Community Development Block Grant (CDBG) Funds (Attachment 1) and related budget adjustments.

BACKGROUND:

The Town has participated in the Santa Clara Urban County CDBG Program since 1975. Through this program, the Town receives federal CDBG funds for activities which benefit primarily very low and low income households, including Americans with Disabilities Act (ADA) modifications, affordable housing developments, the Housing Conservation Program, and service programs administered by local nonprofit agencies.

DISCUSSION:

Each fiscal year, Council adopts a resolution allocating CDBG funds for that year. The total amount of funds available each year is set by the federal Department of Housing and Urban Development (HUD). If any project which is allocated CDBG funds does not use all of those funds, they must be re-allocated to another project before they may be used. All of the Town's CDBG allocations are tracked by Santa Clara County on a document called the Cash Control Record, and each is assigned a "project number."

Three Town ADA projects have been completed recently and have not required all of the funds allocated to them. In addition, Rebuilding Together Silicon Valley, a local nonprofit agency that

PREPARED BY: Regina A. Falkner, Community Services Director
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Reviewed by: 15 Assistant Town Manager OK Town Attorney _____ Clerk Administrator
SL Finance _____ Community Development Revised: 11/22/05 12:12 pm

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performs home repairs for low-income homeowners, did not draw down all of its allocation for FY 2004/05. A full list of the project balances is included in Exhibit A to Attachment 1.

Staff recommends that the remaining funds allocated to these four projects be re-allocated to the Town's FY 2005/06 Public Facilities ADA Compliance line item (LG-06-41), which provides funding for any ADA project on public property. Some of these funds have been used this year for installing sidewalk wheelchair ramps at locations throughout Los Gatos. They will also be used during the year for CIP Project 0539, ADA rehabilitation of 25 Fiesta Way.

CONCLUSION:

Staff recommends that Council adopt a resolution (Attachment 1) authorizing the transfer of CDBG funds remaining from completed projects to the Town's Public Facilities ADA Compliance line item, and related budget adjustments. Once approved by Council, the transfer request would be forwarded for final approval by the County Board of Supervisors.

ENVIRONMENTAL ASSESSMENT:

The recommended action is not a project defined under CEQA, and no further action is required.

FISCAL IMPACT:

LG-06-41, the FY 2005/06 Public Facilities ADA Compliance line item, had a balance at the beginning of 2005/06 of \$59,810.00. The recommended transfer would add an additional \$14,561.19 to LG-06-41, and bring its balance to \$74,371.19. In addition, LG-05-41, the FY 2004/05 Public Facilities ADA Compliance line item had a balance at the beginning of 2005/06 of \$19,587.50. Once the recommended transfer was made, the sum of these two ADA Compliance line items would be \$93,958.69. A total of \$24,975.00 has been spent so far this fiscal year on eligible ADA activities, leaving \$68,983.69 for the balance of the year. It is estimated that the 25 Fiesta Way project will require all of these remaining funds.

All CDBG allocations are adopted as part of the Operating Budget, in Special Fund 219. Once the transfer was approved, a budget adjustment of \$7,536.69 would be made in revenue account 2219-45098 to reflect the increased amount of ADA funding. A corresponding adjustment would be made in expenditure account 2219-99410, reflecting the transfer of those funds to the CIP program.

CDBG allocations that are used for capital projects are also adopted as part of the Capital Improvement Program budget. A budget adjustment of \$7,536.69 would be made in revenue account 410-0539-49219, reflecting the receipt of the CDBG funds from Special Fund 219. A corresponding adjustment would be made in expenditure account 410-0539-82002, reflecting the expenditure of those funds on project costs.

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The budget adjustments of \$7,536.69 reflect that portion of the recommended transfer of \$14,561.19 that was not rolled over into the FY 2005/06 budget.

The recommended action would have no impact on the General Fund.

Attachment:

1. Draft Resolution of the Town Council of the Town of Los Gatos Authorizing the Transfer of Community Development Block Grant Funds (Exhibit A)
2. Revised Cash Control Record

Distribution:

Marjorie Matthews, Director, County of Santa Clara Office of Affordable Housing, 1735 North First Street, Suite 265, San Jose, CA, 95112

RESOLUTION NO. 2005-

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS
AUTHORIZING THE TRANSFER OF COMMUNITY DEVELOPMENT BLOCK
GRANT (CDBG) FUNDS AND RELATED BUDGET ADJUSTMENTS**

WHEREAS, the Town of Los Gatos receives Community Development Block Grant funds from the U.S. Department of Housing and Urban Development through the County of Santa Clara as a non-entitlement city pursuant to the provisions of Title I of the Housing and Community Development Acts of 1974 and 1977, as amended; and

WHEREAS, the U.S. Department of Housing and Urban Development requires that any funds remaining from completed projects must be transferred to another project before they may be utilized; and

WHEREAS, the Town Council wishes to allocate additional funds to Capital Improvement Program project 0539, which ensures compliance with Americans with Disabilities Act (ADA) accessibility requirements.

**NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF LOS GATOS
DOES HEREBY RESOLVE AS FOLLOWS:**

- A. The Town Council does hereby authorize the transfer of funds on the Town's Cash Control Report, as set out in Exhibit A, attached and incorporated herein, and the related budget adjustments.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 5th day of December, 2005, by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

ATTEST:

CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

SANTA CLARA COUNTY TRANSFER CONTROL RECORD

HCD/Revised 9/5/85

Jurisdiction/Agency Town of Los Gatos

Date 11/22/05

Program Year 2005/06

Transfer No. 1

FROM				TO			
Project Activity Name #	Current Allocation	Amount of Transfer (-)	Revised Allocation	Project Activity Name #	Current Allocation	Amount of Transfer (+)	Revised Allocation
ADA Parking Lots 1&2 Ramps, LG-03-42	\$36.37	(\$36.37)	\$0	ADA Compliance - Public Facilities, LG-06-41	\$59,810.00	\$14,561.19	\$74,371.19
ADA Ross Creek Ped Bridge, LG-04-41	\$765.32	(\$765.32)	\$0				
ADA Library Doors, LG-04-42	\$6,259.50	(\$6,259.50)	\$0				
Rebuilding Together Silicon Vly, LG-05-54	\$7,500.00	(\$7,500.00)	\$0				

A. Jurisdiction/agency has approved the above transfer of funds and submitted necessary documentation to justify the transfer Yes, Resolution 2005-xx adopted December 5, 2005
(Date)

B. Does transfer require CAC,CC, and B/S approval _____ Y/N
 1. If yes, B/S approval _____
 (Date)
 2. If No, transfer approved by project Representative _____
 (Signature) (Date)

C. Transfer reflected on CCR and program ledger _____
 (Signature) (Date)

 Program Manager (Date)

SANTA CLARA COUNTY HCD PROGRAM

CASH CONTROL RECORD (CCR)
PROGRAM YEAR 2005-2006EFFECTIVE DATE 12-5-05
TOWN OF LOS GATOS

CONTRACT/PROJECT NAME	CONTRACT PROJECT NUMBER	BEGINNING BALANCE	TRANSFER	ADJUSTED ALLOCATED AMOUNT	TOTAL PAYMENTS TO DATE	BALANCE AVAILABLE
PROJECTS IN PROGRESS:						
HOUSING REHAB ADMINISTRATION	LG-01-52	19,920.30		19,920.30	2,625.14	17,295.16
ADA PARKING LOTS 1 & 2 RAMPS	LG-03-42	36.37	-36.37	0.00	0.00	0.00
ADA ROSS CREEK PED BRIDGE	LG-04-41	765.32	-765.32	0.00	0.00	0.00
ADA LIBRARY DOORS	LG-04-42	6,259.50	-6,259.50	0.00	0.00	0.00
LIVE OAK ADULT DAY CARE	LG-05-33	9,785.10		9,785.10	1,451.50	8,333.60
ADA ACCESSIBILITY IMPROVEMENTS	LG-05-41	19,587.50		19,587.50	0.00	19,587.50
HOUSING CONSERVATION PROG-LOAN	LG-05-51	58,724.00		58,724.00	0.00	58,724.00
REBUILDING TOGETHER SILICON VLY	LG-05-54	7,500.00	-7,500.00	0.00	0.00	0.00
EHC LIFEBUILDERS	LG-06-11	15,000.00		15,000.00	0.00	15,000.00
SECOND HARVEST FOOD BANK	LG-06-31	3,802.00		3,802.00	0.00	3,802.00
CATHOLIC CHARITIES - OMBUDSMAN	LG-06-32	7,680.00		7,680.00	0.00	7,680.00
LIVE OAK ADULT DAY CARE	LG-06-33	12,988.00		12,988.00	0.00	12,988.00
SJSU HEALTH PLACE	LG-06-34	12,211.00		12,211.00	0.00	12,211.00
ADA COMPLIANCE - PUBLIC FACILITIES	LG-06-41	59,810.00	14,561.19	74,371.19	24,975.00	49,396.19
URBAN COUNTY REHAB SERVICES	LG-06-53	20,000.00	-20,000.00	0.00	0.00	0.00
REBUILDING TOGETHER SILICON VLY	LG-06-54	10,000.00		10,000.00	0.00	10,000.00
SUBTOTAL PROJECTS IN PROGRESS		264,069.09	-20,000.00	244,069.09	29,051.64	215,017.45
GENERAL ADMINISTRATION	LG-06-91	15,000.00		15,000.00	3,558.88	11,441.12
SUBTOTAL ADMINISTRATION		15,000.00		15,000.00	3,558.88	11,441.12
GRAND TOTAL ALL CDBG		279,069.09	-20,000.00	259,069.09	32,610.52	226,458.57