



**CONTRA COSTA COUNTY  
DEPARTMENT OF CONSERVATION AND  
DEVELOPMENT**


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***MEMORANDUM***

**DATE:** June 5, 2018

**TO:** Finance Committee  
Supervisor Karen Mitchoff, Chairperson  
Supervisor John Gioia, Member

**FROM:** Gabriel Lemus, CDBG Program Manager  
By: Kristin Sherk, CDBG Planner 

**SUBJECT:** Report on allocating Community Development Block Grant (CDBG) funds  
for the acquisition of real property

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**RECOMMENDATION**

1. Approve staff's recommendation to allocate \$180,000 of FY 2017/18 Community Development Block Grant (CDBG) funds to RYSE, Inc. for the acquisition of real property located at 205 41<sup>st</sup> Street, (APN 517-320-016, -017, and -029) in the City of Richmond.
2. Direct Conservation and Development staff to prepare a staff report on Committee recommendation(s) to be considered by the Board of Supervisors on June 12, 2018.

**BACKGROUND**

On July 18, 2017, the Board approved the Contra Costa County Action Plan for the use of FY 2017/18 CDBG funds. On October 17, 2017, the Board approved allocating an additional \$888,516 of CDBG to seven projects in the Infrastructure/Public Facilities category. One of these projects, the East County CARE Center Improvements project, was awarded \$400,000 in CDBG funds; however, the project is unable to move forward with CDBG funds.

Therefore, the County's CDBG Program has up to \$400,000 that may be allocated and distributed to eligible infrastructure/public facilities or housing activities that benefit Urban County residents.

The RYSE Center Acquisition will allow RYSE, Inc. (RYSE) to acquire real property located at 205 41<sup>st</sup> Street, (APN 517-320-016, -017, and -029) in the City of Richmond that RYSE currently leases from the County to operate a free public youth center. RYSE serves low-income youth in West Contra Costa County ages 13 to 21 including youth who are in and out of school, college bound, homeless, LGBT, and some who have been incarcerated. The acquisition of the property will allow RYSE to not only continue the full operations of the youth center, but also to facilitate future expansion of the youth center that will add and/or enhance services provided to the youth in the City of Richmond. The County and RYSE have agreed on a negotiated price of \$175,000 for the acquisition of the three parcels. An additional \$5,000 in CDBG funds will be used to pay for the acquisition related soft costs, such as appraisal costs and title and escrow fees.

The proposed acquisition project is consistent with the County's CDBG Consolidated Plan priority of maintaining quality public facilities and adequate infrastructure, and ensure access for the mobility-impaired by addressing physical access barriers to public facilities. Furthermore, the proposed acquisition is an eligible activity in accordance with federal regulations for the CDBG program [24CFR 570.201 (a) and 570.201 (c)]. In order to maintain eligibility, the facility must continue to operate to serve low-income youth for at least five years. If the facility ceases to operate during that timeframe, the CDBG funds must be returned to the County at a pro-rated amount (i.e. if the facility operated for one year, then \$144,000 would be required to be repaid to the County CDBG Program).

All projects are subject to review under the National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA). Both the NEPA and CEQA reviews are completed and no environmental issues were found and converted to exempt. The project is not subject to Davis-Bacon federal prevailing wages because the CDBG funds will solely be used for acquisition of real property.

**Recommendation:** Staff recommends that \$180,000 in FY 2017/18 CDBG funds be allocated to RYSE, Inc. for the acquisition of real property located at 205 41<sup>st</sup> Street, (APN 517-320-016, -017, and -029) in the City of Richmond.

**Public Hearing and Transmittal of Recommendations:** The Committee recommendation will be forwarded to the full Board of Supervisors prior to the public hearing that is scheduled for June 12, 2018.

cc: John Kopchik, Director – Department of Conservation and Development  
Kara Douglas, Assistant Deputy Director