



**Contra
Costa
County**

To: Board of Supervisors
From: John Kopchik, Director, Conservation & Development Department
Date: March 19, 2019

Subject: Substantial Amendment to the County's FY 2018/19 CDBG Action Plan - Allocation of CDBG Funds to RYSE, Inc.

RECOMMENDATION(S):

1. APPROVE a substantial amendment to the County's FY 2018/19 Community Development Block Grant (CDBG) Action Plan, to award \$382,500 to RYSE, Inc., for the acquisition of real property located at 4006 Macdonald Avenue, (APN: 517-320-025) and an adjacent vacant parcel (APN: 517-320-005) in the City of Richmond, to expand an existing youth community center, as recommended by the Finance Committee.
2. AUTHORIZE the DCD Director, or designee, to execute the CDBG Project Agreement for the \$382,500 award to RYSE, Inc.

FISCAL IMPACT:

There is no fiscal impact to the County General Fund. Community Development Block Grant (CDBG) funds are federal funds provided to the County on a formula allocation basis through the U.S. Department of Housing and Urban Development.

Catalog of Federal Domestic Assistance #14.218

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☒ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **03/19/2019** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Candace Andersen, District II
Supervisor
Federal D. Glover, District V
Supervisor

ABSENT: Diane Burgis, District III
Supervisor
Karen Mitchoff, District IV
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 19, 2019

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Stephanie Mello, Deputy

Contact: Gabriel Lemus,
925-674-7882

BACKGROUND:

On December 12, 2018, CDBG staff received an application for CDBG funds from RYSE, Inc. (RYSE) for the acquisition of two parcels that are adjacent to its current property and youth/community center facility located at 205 41st Street, Richmond. The RYSE youth center (Center) serves low-income youth in west Contra Costa County, primarily from the City of Richmond, ages 13 to 21 including youth who are in and out of school, college bound, homeless, Lesbian, Gay, Bisexual and Transgender, and some who have been incarcerated. The two parcels for acquisition are located at 4006 Macdonald Avenue (APN: 517-320-025) and the other parcel is directly adjacent (APN: 517-320-005).

The acquisition of the additional property will allow RYSE to not only continue the full operation of the Center, but also add and/or enhance services provided to the youth by expanding the Center's programming/services, add additional administrative offices, and provide for additional parking. The parcel on 4006 Macdonald has an existing building that is ready to occupy, and RYSE will utilize it for administrative activities and additional programming. The other adjacent property is a vacant parcel that is currently utilized as a parking lot. RYSE will utilize the vacant parcel for additional parking for staff and visitors of the Center, but may also utilize it for outdoor programming.

The negotiated acquisition price for the two parcels is \$425,000, which is the combined market rate for the two parcels. The CDBG funds will pay \$382,500 of the acquisition price, with the difference being paid by another source that RYSE has available.

Available CDBG Funds: The \$382,500 of CDBG funds are available due to there being approximately \$1.1 million dollars more in CDBG Program Income received during the current fiscal year. The CDBG Program Income is considered as part of the available CDBG resources for the current fiscal year, but also included in the expenditure requirement for the year, per the U.S. Department of Housing and Urban Development (HUD). Therefore, the CDBG Program Income may be allocated to new eligible and "shovel-ready" projects, or to existing projects that were previously awarded but had experienced a financing gap to start and complete the project. Allocating these available funds to eligible "shovel-ready" projects would also assist the County's CDBG Program in meeting HUD's expenditure requirement for the year.

Finance Committee Meeting: The Finance Committee met on February 25, 2019, and recommended to allocate \$382,500 in CDBG funds to RYSE to assist in the acquisition of the two parcels.

CONSEQUENCE OF NEGATIVE ACTION:

If the Substantial Amendment to award the additional CDBG funds is not approved, RYSE, Inc.'s ability to complete the acquisition would be compromised.

CHILDREN'S IMPACT STATEMENT:

The RYSE Acquisition project furthers the Children's Report Card outcome of creating "communities that are safe and provide a high quality of life for children and families."