Contra Costa County

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: December 17, 2019

Subject: Approval of CDBG Loan Legal Documents for the Richmond Housing Authority Elevator Project

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute legal documents with the Richmond Housing Authority for a loan of $401,523 in Community Development Block Grant funds to finance the repair and replacement of two elevators in Nevin Plaza, a public housing development in the City of Richmond; and

1. FIND that the project is categorically exempt per Section 15194 of the California Environmental Quality Act (CEQA);

2. DIRECT the Director of Conservation and Development to file a Notice of Exemption for the Nevin Plaza Elevator Modernization Project with the County Clerk; and

3. DIRECT the Director of Conservation and Development, or designee, to arrange for payment of the $50 handling fee to the County Clerk for filing such Notice of Exemption.

FISCAL IMPACT:

No General Fund impact. Community Development Block Grant funds are provided to the County on a formula allocation basis through the U.S. Department of Housing and Urban

---

☑ APPROVE	☐ OTHER
☑ RECOMMENDATION OF CNTY ADMINISTRATOR	☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/17/2019** ☑ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

Contact: Kristen Lackey (925) 674-7793

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: December 17, 2019

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

By: June McHuen, Deputy

cc:

Development. (100% Federal)

<u>BACKGROUND:</u>

On October 22, 2019, the Board of Supervisors allocated $401,523 in Community Development Block Grant (CDBG) funds to the Richmond Housing Authority (RHA) for the repair and replacement of two elevators in Nevin Plaza public housing. Nevin Plaza is a 142-unit, 7-story multifamily residential rental development reserved for elderly and/or disabled households. One of the elevators has been nonfunctional for several months while the remaining elevator is outdated and unreliable. The total cost of the project would drain the RHA's capital budget and leave them unable to bring vacant units up to a rentable standard, thus continuing their inability to cover operating costs. The RHA issued an RFP for a developer to undertake a major refinance, rehabilitation and construction of a new adjacent building, but that development will not occur for another year or two. This project is an urgent need and meets County and HUD eligibility requirements.

The CDBG funds will be in the form of a zero percent interest deferred loan with a term of 20 years. The Loan Agreement is subject to approval as to form by County Counsel. A Regulatory Agreement is not necessary since the project is already income restricted by the RHA.

National Environmental Policy Act (NEPA): CDBG projects are subject to NEPA and 24 CFR Part 58 review. The NEPA review for this project has been completed.

<u>CONSEQUENCE OF NEGATIVE ACTION:</u>

Without the approval and execution of the CDBG legal documents, the RHA would exhaust their capital reserves on the elevator project leaving them without funds to bring their vacant units up to rentable standards.

<u>CHILDREN'S IMPACT STATEMENT:</u>

The recommendation supports one or more of the following children's outcomes:
(1) Children Ready for and Succeeding in School;
(2) Children and Youth Healthy and Preparing for Productive Adulthood;
(3) Families that are Economically Self Sufficient;
(4) Families that are Safe, Stable and Nurturing; and
(5) Communities that are Safe and Provide a High Quality of Life for Children and Families.