



DATE: January 4, 2012

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department

SUBJECT: **APPROVAL TO ALLOCATE COMMUNITY DEVELOPMENT BLOCK GRANT CONTINGENCY FUNDS IN THE AMOUNTS OF \$19,500 TO THE WOMEN'S RESOURCE CENTER, AND \$5,000 TO THE COUNTRY CLUB SENIOR CENTER, INCREASING THE FUNDING FOR EXISTING PROJECTS AT BOTH LOCATIONS, AND APPROVAL TO AMEND THE 2011-2012 ACTION PLAN ACCORDINGLY**

SYNOPSIS

Staff recommends that the City Council approve the transfer of Community Development Block Grant contingency funds in the amount of \$19,500 to the Women's Resource Center to increase the funding for an existing project to improve parking lot drainage; and in the amount of \$5,000 to the Country Club Senior Center to increase the funding for acquisition and installation of a new walk-in cooler/freezer; and amend the 2011-2012 Action Plan accordingly.

BACKGROUND

The Women's Resource Center (WRC) manages a transitional housing program for formerly homeless persons, primarily single women and women with young children, in a City-owned facility at 1963 Apple Street in Oceanside. The WRC leases the building from the City for \$1.00 per year in exchange for providing housing and supportive services that will enable the residents to become independent and self-sufficient members of the community. The facility was originally constructed as a recreation facility with racquet ball and squash courts but was later abandoned; the City acquired and renovated the building in 1995 as a transitional housing facility. The lease requires the WRC to provide all ordinary maintenance and upkeep.

The Apple Street building has long had problems with drainage due to the original construction of the parking lot and walkways against the building. In the past five years the WRC had also seen increasing deterioration of the roof and related drainage from the roof. On October 14, 2009, the City Council allocated \$100,000 under the American Recovery and Reinvestment Act (ARRA) of 2009 to the WRC for improvements to the building to mitigate the drainage problems. The WRC used \$66,917 to replace the roofs at the Apple Street building and at the WRC emergency shelter facility, which also had significant roof deterioration. While the improvements eliminated all leakage from the



Apple Street building roof, storms in the winter of 2010-11 and recent storms demonstrated that drainage from the parking lot remains a significant issue. The City researched property records and discovered that the original building used an open concrete-lined channel to the south to drain the parking lot; this channel was covered over by later construction and was not recorded as an easement on the neighboring properties. Cost of surveys and title deeds for the various properties required an additional \$4,434 plus \$850 for preparation of a site and project plan. While the remaining CDBG-R funds could cover the cost of improvements to the parking lot, this would not address the total problem. The total cost of Improvements to the parking lot, replacement of existing drainage collectors and lines, and inspection costs is estimated at \$46,425, requiring an additional \$19,500 for the project.

The County of San Diego Health and Human Services Agency, which inspects all facilities used for senior nutrition programs, has recommended that the existing walk-in cooler/freezer at the Country Club Senior Center (CCSC) kitchen be replaced. On September 28, 2011, the City Council approved using \$17,500 of CDBG contingency funds for this project. The Oceanside Senior Citizens Association (OSCA), which manages the senior nutrition program at the CCSC, sought bids for acquisition and installation of the equipment. Some of the bids did not provide full information including transportation and installation; the bids that were fully responsive exceeded the funded amount without taking into account prevailing wage requirements, which are triggered by the use of federal funds. The OSCA and City have asked the most responsive bidder to re-submit his bid including all permits, electrical connection costs and prevailing wage costs. The OSCA has also asked for funds to cover the cost of renting freezer and refrigeration units during the period of installation so as not to stop the nutrition program. The City estimates the total project cost to be \$22,500.

ANALYSIS

The City leases a building at 1963 Apple Street to the Women's Resource Center (WRC) for \$1.00 per year in exchange for providing housing and supportive services provided to homeless persons, especially women and women with children. The WRC is responsible for ordinary maintenance and upkeep on the building. The building has long had problems with drainage of storm water, including drainage from the parking lot that flows toward the foundation. A project in 2010 to replace the roof improved drainage from the roof and eliminated all leaks, but problems remain in the parking lot. Recovery Act funds previously committed by the City are sufficient to make improvements to the parking lot and sidewalks to ensure that storm water stays away from the building foundation, but this does not solve the overall problem of drainage. The City is requesting an additional \$19,500 of CDBG funds to replace existing inadequate drains and provide new connection from the drains to the City storm water collection system. These improvements will address the major drainage issues at the facility. Any unused CDBG funds will be returned to the contingency fund account.

The City leases the kitchen at the Country Club Senior Center (CCSC) to the Oceanside Senior Citizens Association (OSCA) for \$1.00 per year in exchange for providing a senior nutrition program, both as congregate dining at the CCSC and delivery of meals to homebound seniors and persons with disabilities. Permanent kitchen equipment is the property of the City. Health inspectors from the County of San Diego recommended that the existing walk-in cooler/freezer be replaced with a newer, more energy-efficient model. The lowest responsive bid for installation came in at \$17,400 but did not include costs of permits and prevailing wages, a requirement for federally-funded projects. The City has requested a revised bid for the project and estimates a need for an additional \$5,000 of CDBG funds for the project. Any unused funds will be returned to the CDBG contingency fund account.

FISCAL IMPACT

As of November 30, 2011, there was \$708,324 available in the CDBG contingency fund available for allocation by the City Council. The available CDBG contingency funds may only be used for capital improvement projects.

This action would transfer \$5,000 from CDBG Contingency Fund (Revenue 921790000237.4381.0001) to the Senior Citizens – Kitchen Equipment (Expenditure 921485400237.5704), increasing the available funds to \$22,500. Any unused funds will be returned to the CDBG contingency fund.

There is \$27,000 available in the current Women's Resource Center capital improvements project account (999114700274.5704). These funds came from the American Recovery and Reinvestment Act (ARRA) of 2009 and will be used for the parking lot portion of the proposed improvements. ARRA regulations prohibit mixing Recovery Act funds and other funds in the same account. This action would transfer \$19,500 from CDBG contingency fund (Revenue 921790000237.4381.0001) to WRC capital Improvements (Expenditure 921483300237.5325). Any unused funds will be returned to the CDBG contingency fund.

COMMISSION OR COMMITTEE REPORT

Does not apply

CITY ATTORNEY'S ANALYSIS

The City Council is authorized to hold a public hearing in this matter. Consideration of this matter should be based on the testimony and evidence presented at the hearing. After conducting the hearing, the Council shall adopt, modify or deny the recommendations contained in this report.

RECOMMENDATION

Staff recommends that the City Council approve the transfer of Community Development Block Grant contingency funds in the amount of \$19,500 to the Women's Resource Center to increase the funding for an existing project to improve parking lot drainage; and in the amount of \$5,000 to the Country Club Senior Center to increase the funding for acquisition and installation of a new walk-in cooler/freezer; and amend the 2011-2012 Action Plan accordingly.

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