



STAFF REPORT

DATE: MAY 15, 2012
 TO: HONORABLE MAYOR AND CITY COUNCIL
 FROM: ROD FOSTER, CITY MANAGER *Rd Foster*
 PREPARED BY: ARTHUR MORGAN, REDEVELOPMENT MANAGER *AM*
 CHRISTY ELSHOF, PROJECT MANAGER *CE*
 SUBJECT: BUDGET APPROPRIATION OF FISCAL YEAR 2011-2012 FUNDS
 FOR CDBG PUBLIC SERVICES PROGRAMS

RECOMMENDED ACTION

It is recommended that the City Council adopt Resolution No. R-11-12, and amend the Fiscal Year 2011 – 2012 budget in the amount of \$22,000 to fund two Community Development Block Grant (“CDBG”) Programs to be reimbursed by Colton’s Fiscal Year 2011-2012 allocation of CDBG funds.

GOAL STATEMENT

The proposed action will support the City’s goal to provide services to enhance the quality of life for the citizens of Colton.

BACKGROUND

On March 1, 2011, the City Council adopted Resolution No. R-22-11, approving the City’s prioritized list of Fiscal Year 2011-2012 CDBG projects and programs to be funded as a participant in the County of San Bernardino’s CDBG Urban County program. Two of the projects funded by the City were Public Service Programs proposed by non-profit organizations for the benefit of Colton citizens: (1) the Steelworker’s Oldtimers Foundation for \$12,000 to fund the preparation and serving of meals to senior citizens; and, (2) the Gang Reduction Intervention Team (GRIT) for \$10,000 for gang intervention classroom instruction of at-risk youth from Colton.

ISSUES/ANALYSIS

The County of San Bernardino (“County”) recently notified participating cities of two major changes in their administration of the CDBG program. The County made the changes in order to reduce their overhead administrative costs. The first change was that the County no longer enters into Public Service contracts with service providers who are funded by only one participating city. As a result, it has been necessary for Colton to enter into two separate contracts directly with the two non-profit organizations identified above.

The second major change is that the County will no longer provide direct funding to the Public Service providers as they have done in the past. Instead, the County will reimburse cities after payments have been approved and paid for by the City.

In order for the City to comply with the County's changes, an appropriation must be made to the City's 2011-2012 Fiscal Year Budget, allocating funds for the two Public Service providers. The County will reimburse the City after services are approved for eligibility and payment is made to the providers.

FISCAL IMPACTS

The Steelworkers Oldtimer's Foundation Program has a 2011-2012 budget of \$12,000, and the GRIT Program has a 2011-2012 budget of \$10,000. Full reimbursement of the payment will be made by the County's CDBG program.

ALTERNATIVES

1. Provide alternative direction to staff.

ATTACHMENTS

Resolution No. R-11-12

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

RESOLUTION NO. R-11-12

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLTON
TO AMEND THE FISCAL YEAR 2011/2012 BUDGET TO
APPROPRIATE \$22,000 FOR CDBG PUBLIC SERVICE PROGRAMS**

WHEREAS, the City Council of the City of Colton (“City”) elected to enter into a Cooperation Agreement with the County of San Bernardino (“County”) in order to receive Community Development Block Grant (“CDBG”) funds; and,

WHEREAS, as a “Cooperating City”, the City of Colton has been allocated \$449,404 in CDBG funds for fiscal year 2011 – 2012 from the County; and,

WHEREAS, on March 1, 2011, the City Council, as the governing body of the City of Colton, adopted Resolution No. R-22-11 approving a prioritized list of capital projects and public service programs to be funded with CDBG funds for Fiscal Year 2011- 2012; and,

WHEREAS, Funds expended by the City for eligible and approved CDBG projects and programs are reimbursable through the County CDBG Program; and,

WHEREAS, Resolution No. R-22-11 approved a \$12,000 CDBG program allocation with Steelworker’s Oldtimers Foundation, for the provision of meals for Colton senior citizens was approved; and a \$10,000 CDBG program allocation with Gang Reduction Intervention Team for intervention services to at-risk youth from the City of Colton; and,

WHEREAS, a budget appropriation for approved activities, not listed in the 2011 – 2012 Fiscal Year budget, is required and must be approved by resolution of the City Council.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COLTON
DOES HEREBY RESOLVE AS FOLLOWS:**

1 **Section 1** The recitals preceding this Resolution are true and correct and are
2 incorporated into this Resolution by reference.

3
4 **Section 2** The City Council authorizes an appropriation of \$22,000 as an
5 adjustment to the Fiscal Year 2011 – 2012 budget as follows:.

- 6
- 7 ○ Establish expense account 215-1207-6920-2350 in the amount of \$10,000
8 for the GRIT Program
 - 9 ○ Establish expense account 215-1208-6920-2350 in the amount of \$12,000
10 for the Steelworkers Oldtimer’s Foundation Program
 - 11 ○ Establish Revenue account 215-5752 in the amount of \$22,000

12 **Section 3** The City Clerk shall certify to the adoption of this Resolution. This
13 Resolution shall become effective immediately upon its adoption.

14
15 **PASSED, APPROVED AND ADOPTED** this 15th day of May, 2012.

16
17 _____
18 SARAH S. ZAMORA, Mayor

19 ATTEST:

20
21 _____
22 EILEEN C. GOMEZ, CMC
23 City Clerk
24
25
26
27
28