Council Communication

Department: Community Development Case/Project No.: N/A	Ordinance No.: Resolution No.: 21-	City Council: 4-26-2021

Subject/Title

Resolution approving reprogramming of CIP project CD-20-02 and CD-22-03 from the South 19th Street Extension Project to the Hillside Estates Infrastructure Project.

Location

The intersection of Pickardy Lane and Franklin Avenue

Background/Discussion

Background

City Council adopted the FY20-FY24 and FY22-FY26 Capital Improvement Programs (CIP) which included a road extension and intersection reconstruction projects along South 19th Street from 25th to 26th Avenues (CD-20-02 and CD-22-03). The projects outlined $250,000 from the City's Community Development Block Grant (CDBG) entitlement funds and $100,000 from general obligation (GO) funding. An additional CDBG allocation was made in 2022 for $400,000 with a request of $150,000 from General Fund-Other to meet the estimated construction cost of approximately $900,000.

This funding for this project was made contingent by the Community Development Department on the development of Beacon 2. This contingency requirement would ensure the City met its CDBG requirements for creation of low-to-moderate income housing. In March 2021, it was determined the development would not meet the needed timeline for spending requirements. Funding must now be reprogrammed.

Discussion

Staff wishes to reprogram the CD-20-02 allocation of $100,000 and the CD-22-03 allocation of $150,000 made to South 19th Street to the Hillside Estates Infrastructure Project. The proposed project will reconstruct Franklin Ave adjacent to Pickardy Lane to create an intersection and extend new infrastructure into the city-owned parcel to the north. This will accommodate the Hillside Estates Development, a 27-unit single-family housing project.

Staff believes the transfer of these funds meet the original intent of funding as both projects include affordable housing. Hillside Estates will include at least 14 owner-occupied units that will be sold to households at or below 80% of the median family income.

The total infrastructure cost for this project is approximately $745,000. Public Works has agreed to provide $150,000 in Local Option Sales Tax (LOST) dollars to assist with the reconstruction of Franklin Avenue. An additional $100,000 will be used to construct a retaining wall on the property. The remaining balance will be paid through CDBG funds. Project funding will be as follows:

CD-20-02 GO Bonding	$100,000
LOST (CD-22-03)	150,000
CDBG	595,000
TOTAL	$845,000

Public Works has confirmed that the LOST funding is available and supports reallocation to the Hillsdale Estates project. Reprogramming of CDBG funds will occur during the regular program cycle.

Staff Recommendation

Approval of the reallocation of CIP projects CD-20-02 and CD-22-03 funding from South 19th Street to the Hillside Estates Infrastructure Project.

Attachments

Site Map

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