

**RESOLUTION NO. 19-020**

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF PACIFIC GROVE ADDING PROGRAM INCOME FUNDS TO THE  
STATE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM  
CONTRACT BUDGET 17-CDBG-12097**

**FINDINGS**

1. The City of Pacific Grove (City) has received grants under the Community Development Block Grant (CDBG) program for the City's Housing Rehabilitation Loan Program.
2. The current CDBG Contract was signed on October 10, 2018 (Grant Contract), awarding the City.
3. The State Department of Housing and Community Development (HCD) required General Conditions to be met. The City met those conditions on May 31, 2019.
4. HCD requires the City to spend down Program Income (PI) received from repayment of Housing Rehabilitation Loans made with CDBG grants prior to spending the new grant funds.
5. HCD requires the Contract Budget be supplemented by existing and potential PI.
6. HCD requires a resolution to provide formal evidence that a public hearing was held, and approval of the Program Income use as part of the Contract Budget will be reflected in all expenditures.
7. Notice of the public hearing was published or posted on June 8, 2019.
8. In reviewing this matter, the City followed the guidelines adopted the CEQA Guidelines of the State of California, published in the California Code of Regulations, Title 14, Section 15000, et seq. and found this action does not constitute a "Project" as defined by CEQA Guideline section 15378; this is an organizational or administrative activity that will not result in direct or reasonably foreseeable indirect physical changes in the environment.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES RESOLVE AS FOLLOWS:**

**RESOLUTION**

SECTION 1. The City Council finds each Finding recited above to be true and correct, and by this reference incorporates each as an integral part of this Resolution.

SECTION 2. Program Income is added to the Grant Contract budget in compliance with HCD requirements for the administration of Program Income and the Grant Contract.

SECTION 3. The City Manager, or his designee, is authorized to execute all documents, and to perform all other necessary City acts to implement the Grant Contract.

SECTION 4. This Resolution shall take effect immediately following its adoption.

**PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE** this 19<sup>th</sup> day of June 2019, by the following vote:

AYES: Mayor Peake, Councilmembers Amelio, Garfield, Huitt, Smith, and Tomlinson.

NOES:

ABSENT: Councilmember McAdams

APPROVED:



BILL PEAKE, Mayor

ATTEST:



SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:



DAVID C. LAREDO, City Attorney