

TO: JAMES L. APP, CITY MANAGER  
FROM: BOB LATA, COMMUNITY DEVELOPMENT DIRECTOR  
SUBJECT: 2004 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM  
DATE: JANUARY 6, 2004

Needs: For the City Council to select a date for the public hearing for the allocation of the City's allotment of 2004 Community Development Block Grant (CDBG) funds.

Facts:

1. Federal Regulations require that the City conduct a public hearing before determining which applications for CDBG funds are approved for funding. Said regulations require that the hearing be given 30 days advance notice in a newspaper of general circulation.
2. The City receives its allocations of federal CDBG funds through the County of San Luis Obispo, which takes the lead role in administration of the CDBG program. This includes the preparation, adoption and annual updating of a "Consolidated Plan", which the US Department of Housing and Community Development (HUD) approves following adoption by the County Board of Supervisors. Under a cooperation agreement with the County, the City retains the right to decide how its allocation of CDBG funds will be used.
3. In order to meet HUD's schedule for submittal of the Consolidated Plan, the city must hold its public hearing in late February or early March, and the County must publish the public notice for all the participating cities' hearings in mid-January.
4. At its meeting of January 6, the City Council needs to set a date for the 2004 CDBG public hearing so that the newspaper notice can be published at least 30 days prior to the hearing.

Analysis and Conclusion: The City has received 21 applications for 2004 CDBG funds. To allow for ample time for public input and discussion on these applications, the Council has suggested that the public hearing be conducted at a special meeting. Two possible dates for this hearing are Thursday, February 26 or Thursday, March 11.

Policy Reference: Federal regulations for the Community Development Block Grant Program

Fiscal Impact: No impact to the General Fund.

Options: Subject to public testimony, via minute action, take one of the following actions:

- A. Direct staff to set Thursday, February 26 as the date for the 2004 CDBG public hearing.
- B. Direct staff to set Thursday, March 11 as the date for the 2004 CDBG public hearing.
- C. Amend, modify or reject the foregoing options.