

## **RESOLUTION NO. 3789-2015**

### **RESOLUTION OF THE FORT BRAGG CITY COUNCIL APPROVING A FORGIVABLE LOAN AGREEMENT WITH REDWOOD COAST SENIORS, INC. TO USE FUNDS FROM COMMUNITY DEVELOPMENT BLOCK GRANT #12-CDBG-8388 FOR THE SENIOR CENTER KITCHEN REHABILITATION PROJECT AND AUTHORIZING CITY MANAGER TO EXECUTE SAME (AMOUNT NTE: \$35,000; ACCOUNT NO. 302-5026-0630)**

**WHEREAS**, the City of Fort Bragg was awarded funds from the 2012 State of California Department of Housing and Community Development, State Community Development Block Grant (CDBG) Community Development Allocation to fund various activities; and

**WHEREAS**, the City of Fort Bragg held a Design Phase Public Hearing on September 30, 2014, to provide information about the Community Development Block Grant (CDBG) program and to solicit input from the community as to suggestions about possible uses of grant funds and Program Income; and

**WHEREAS**, on January 12, 2015, City Council adopted Resolution 3769-2015 to approve the addition of six Supplemental Activities to the 2012 CDBG grant #12-CDBG-8388, including the Senior Center Kitchen Rehabilitation Project; and

**WHEREAS**, Redwood Coast Senior Center, Inc. provides important services to senior citizens age 60 and above, of whom at least 51% are low and moderate income persons, which meets the CDBG Program's National Objective of benefitting low and moderate income persons; and

**WHEREAS**, CDBG funding will allow Redwood Coast Seniors, Inc. to implement needed kitchen improvements at the Senior Center including new cooking and storage equipment, which will help to ensure efficient and continuous delivery of services to Fort Bragg's senior citizens; and

**WHEREAS**, execution of a Loan Agreement with Redwood Coast Seniors, Inc. enables the City to comply with the City's 2012 CDBG Standard Agreement #12-CDBG-8338, Exhibit F, Community Development Activity General Conditions for Public Facility activities, to ensure that Redwood Coast Seniors, Inc. complies with State and Federal overlay requirements and covenants and restrictions related to use of the Senior Center facility after it is rehabilitated with CDBG funds; and

**WHEREAS**, the Loan Agreement imposes covenants and restrictions on Redwood Coast Seniors, Inc. to include, among other terms, a prohibition against transfer of the Senior Center kitchen property, requirement for general maintenance of the property; a requirement for adequate and on-going property insurance coverage; required payment of any property taxes that may become due; and requirement that rehabilitation activities are to be planned and implemented in cooperation and compliance with, and under the supervision of, the City; and

**WHEREAS**, CDBG funding will not be released and made available to the City to implement the rehabilitation activity until all General Conditions for the Public Facility Activity are completed, submitted to CDBG, and cleared by CDBG; and

**WHEREAS**, other General Conditions requiring certification include environmental compliance, and the Senior Center Kitchen Rehabilitation Project has been determined to be exempt from CEQA per Section 15301(e); and Categorically Excluded from the National Environmental Policy Act (NEPA) Subject to Part 58.5(a)(3)(iii); and

**WHEREAS**, adequate funding is available from CDBG #12-CDBG-8388 from Program Income on hand and Program Income projectec to be received before July 1, 2015, to implement the Senior Center Kitchen Rehabilitation Project as well as other 2012 Supplemental Activities; and

**WHEREAS**, based on all the evidence presented, the City Council finds as follows:

1. Redwood Coast Senior, Inc. provides necessary and important services in the City of Fort Bragg at the Senior Center for the benefit of Fort Bragg's senior citizens.
2. There is adequate funding provided in 2012 CDBG #12-CDBG-8388 to fund the rehabilitation activity, including direct project costs as well as administrative costs.
3. The Loan Agreement and related documents contain covenants and restrictions that comply with CDBG Special Conditions related to the Public Facility Activity.


**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Fort Bragg does hereby Approve a Forgivable Loan Agreement with Redwood Coast Seniors, Inc. to Use Funds from Community Development Block Grant #12-CDBG-8388 for the Senior Center Kitchen Rehabilitation Project and Authorizes City Manager to Execute Same (Amount NTE: \$35,000; Account No. 302-5026-0630).

The above and foregoing Resolution was introduced by Councilmember Deitz, seconded by Councilmember Cimolino, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on the 13<sup>th</sup> day of April, 2015, by the following vote:

**AYES:** Councilmembers Cimolino, Deitz, and Hammerstrom.  
**NOES:** None.  
**ABSENT:** Councilmember Peters.  
**ABSTAIN:** Mayor Turner.

  
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**DOUG HAMMERSTROM,**  
Acting Mayor

**ATTEST:**

  
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Cynthia M. VanWormer, MMC  
City Clerk