

**CITY OF EL PASO, TEXAS**  
**AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Community and Human Development

**AGENDA DATE:** May 26, 2009

**CONTACT PERSON/PHONE:** William Lilly/541-4643

**DISTRICT(S) AFFECTED:** All Districts

**SUBJECT:**

**APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.**

Discussion and action on a Resolution amending the 2005-2010 Consolidated Plan to add a Community Development Block Grant Recovery (CDBG-R) Program component, with Community Development addressed by CDBG-R activities being rated as "high or medium priority needs" in the Community Development Needs Table in the 2005-2010 Consolidated Plan, and amending the City's 2008-2009 Annual Action Plan by adding CDBG-R funded activities as specified in Attachment A attached hereto, and approving the Proposed Budgets for those activities: Coronado Road Phase II Street & Drainage Construction (\$937,128), Father Martinez Senior Citizen Center Improvements Construction (\$624,500), Centro Mayapan Festival Marketplace (\$250,000), Project Arriba (\$100,000), and Citywide Curb Cut Demand Program – CDBG-R (\$372,564); authorizing the City Manager to sign and submit necessary forms and related certifications to HUD as part of the amended 2008-2009 Annual Action Plan; authorizing the City Manager to sign a Grant Agreement with HUD for the CDBG-R grant funding which is being distributed based on the formula used for the Community Development Block Grant Program; and authorizing the City Manager to take any actions necessary to accomplish the intent of this resolution and be authorized to sign any agreements or related documents for agency CDBG-R activities upon approval by the City Attorney's Office and Director of Community and Human Development Department.

**BACKGROUND / DISCUSSION:**

**Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?**

The CDBG-R Program was established by Congress under the American Recovery and Reinvestment Act of 2009 signed by President Obama on February 17, 2009. The CDBG-R would allow the City of El Paso to give priority consideration and the ability to focus additional federal funds on projects that can be started and completed expeditiously to stimulate the economy through measures that modernize the Nation's infrastructure, improve energy efficiency, and expand educational opportunities and access to health care. Selected projects are expected to maximize job creation and economic benefit by: (1) preserving and creating jobs and promoting economic recovery; (2) assisting those most impacted by the recession; (3) providing investment needed to increase economic efficiency; (4) investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits; (5) minimizing or avoiding reduction in essential services; or (6) fostering energy independence. All activities will receive CDBG-R funding as a part of the City's 34<sup>th</sup> Year (2008-2009) Annual Action Plan in the form of a substantial amendment as stipulated by HUD and attached hereto as Attachment A and will serve the entire city. **(All Districts)**

A Notice was placed in the El Paso Times in English and in the El Diario in Spanish on May 18, 2009 to allow a HUD-approved 7-day period for public comment ending May 4, 2009; HUD reduced the usual 30-day required public comment period due to the expedited nature of this amendment as is explained in HUD's CDBG-R Notice, Docket No. FR-5309-N-01. The City has also complied with HUD's recommendation that each grantee post its substantial amendment materials on the official City of El Paso website as they were developed. Any citizen comments received after the submittal of this Agenda Item Department Head's Summary Form will be forwarded to City Council for consideration.

**PRIOR COUNCIL ACTION:**

**Has the Council previously considered this item or a closely related one?**

City Council has approved four similar amendments to its 2005-2010 Consolidated Plan, and many other amendments in prior years.

**AMOUNT AND SOURCE OF FUNDING:**

**How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?**

The City of El Paso is applying for CDBG-R funds in the amount of \$2,284,192 that will be available locally. CDBG-R funds awarded to jurisdictions will need to be expended within three years. The City is submitting the formal amendment (Attachment A) for CDBG-R funding to HUD.

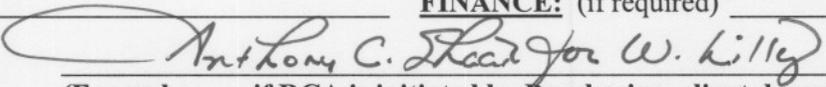
**BOARD / COMMISSION ACTION:**

**Enter appropriate comments or N/A**

The recommendation to amend the City of El Paso's 2005-2010 Consolidated Plan by adding a CDBG-R component was presented to the Community Development Steering Committee on May 14, 2009. The Steering Committee unanimously accepted the recommendation.

**\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\***

**LEGAL:** (if required) \_\_\_\_\_ **FINANCE:** (if required) \_\_\_\_\_

**DEPARTMENT HEAD:**  \_\_\_\_\_

(Example: if RCA is initiated by Purchasing, client department should sign also)  
*Information copy to appropriate Deputy City Manager*

**APPROVED FOR AGENDA:**

**CITY MANAGER:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

## RESOLUTION

**WHEREAS**, on July 19, 2005, the City Council for the City of El Paso adopted a five-year (2005-2010) Consolidated Plan that serves as a comprehensive housing affordability strategy, community development plan, and submission for funding programs that address homelessness and homelessness prevention such as the Emergency Shelter Program and Community Development Block Grant Public Services homeless programs which were submitted to the U.S. Department of Housing and Urban Development (HUD); and

**WHEREAS**, on June 26, 2007, the City Council for the City of El Paso first amended the 2005-2010 Consolidated Plan to comply with new HUD regulations that became effective March 13, 2006; amended the 2005-2010 Consolidated Plan for a second time on August 26, 2008 to add a Neighborhood Revitalization Strategy Area component that was approved by HUD on November 12, 2008; amended the 2005-2010 Consolidated Plan for a third time on November 18, 2008 to add a Neighborhood Stabilization Program component that was approved by HUD on January 26, 2009; and amended the 2005-2010 Consolidated Plan for a fourth time on May 5, 2009 to add a Homelessness Prevention and Rapid Re-Housing Program component that was recently submitted to HUD by the May 18, 2009 deadline; and

**WHEREAS**, the City Council, based on the recommendation of the Director of the Community and Human Development Department and Department staff, now desires to amend the 2005-2010 Consolidated Plan for a fifth time by adding a Community Development Block Grant Recovery (CDBG-R) Program component, with Community Development Needs addressed by CDBG-R activities being rated as "high or medium priority needs" in the Jurisdictional Community Development Needs Table in the 2005-2010 Consolidated Plan, to amend the Annual Action Plan (2008-2009) by adding CDBG-R funded activities as specified in Attachment A, and to approve the Proposed Budgets for the CDBG-R funded activities ; and

**WHEREAS**, on May 18, 2009, the City of El Paso published in the El Paso Times and El Diario newspapers public notice to allow a 7-day public comment period regarding the proposed amendment to the 2005-2010 Consolidated Plan in conjunction with HUD's reduced requirement under Title XII of Division A of the American Recovery and Reinvestment Act as explained in HUD's HPRP Notice, Docket No. FR-5309-N-01, shortening the public comment period from 30 days to 7 days due to the expedited nature of the amendment, and the City also complied with HUD's recommendation that each grantee post its substantial amendment materials on the grantee's official website as the materials are developed, and City Council has duly considered public comment, if any; and

### **NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

1. That the 2005-2010 Consolidated Plan is hereby amended as follows:

Adding a Community Development Block Grant Recovery (CDBG-R) Program component with Community Development Needs addressed by CDBG-R activities rated as "high or medium priority needs" in the Jurisdictional Community Development Needs

Table in the 2005-2010 Consolidated Plan, and amending its Annual Action Plan (2008-2009) to allow the City of El Paso to use funds specifically designated for CDBG-R activities, as specified in Attachment A:

Coronado Road Phase II Street & Drainage Construction - \$937,128;  
Father Martinez Senior Citizen Center Improvements Construction - \$624,500;  
Centro Mayapan Festival Marketplace - \$250,000;  
Project Arriba - \$100,000; and  
Citywide Curb Cut Demand Program (CDBG-R) - \$372,564;

to give priority consideration and focus additional federal funds on projects that can be started and completed expeditiously to stimulate the economy through measures that modernize the Nation's infrastructure, improve energy efficiency, and expand educational opportunities and access to health care. **(All Districts).**

2. That the City Manager be authorized to sign and submit to the U.S. Department of Housing and Urban Development (HUD) a Form SF-424, a Substantial Amendment to the Consolidated Plan 2008 Action Plan for the CDBG-R Program (Attachment A), as part of the amended Annual Action Plan (2008-2009), and related CDBG-R certifications contained therein.
3. That the City Manager be authorized to sign a Grant Agreement with HUD for the CDBG-R formula grant covered by the City's Annual Action Plan.
4. That the City Manager be authorized to take any actions necessary to accomplish the intent of this resolution and be authorized to sign any agreements or related documents for agency CDBG-R activities upon approval by the City Attorney's Office and Director of Community and Human Development Department.

**ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

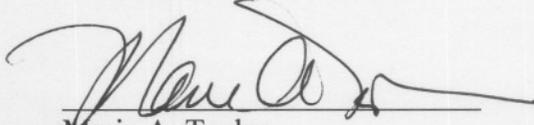
CITY OF EL PASO

\_\_\_\_\_  
John F. Cook  
Mayor

ATTEST:

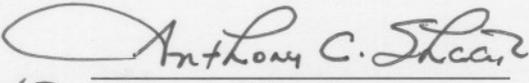
\_\_\_\_\_  
Richarda Duffy Momsen  
City Clerk

APPROVED AS TO FORM:



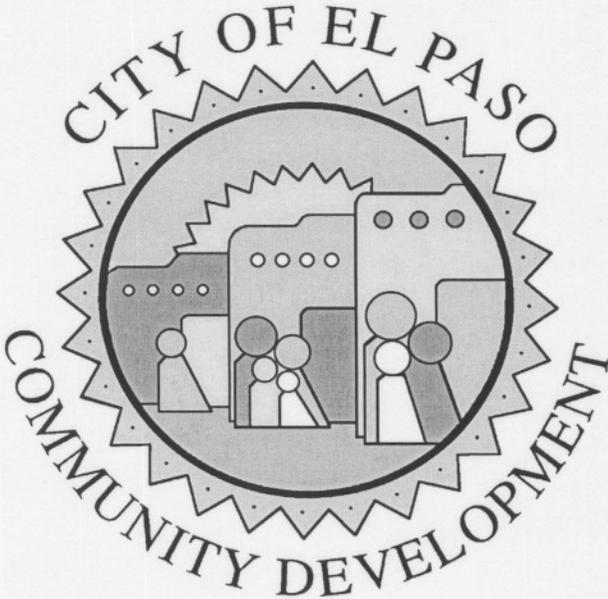
Marie A. Taylor  
Assistant City Attorney

APPROVED AS TO CONTENT:

*for*   
William L. Lilly, Director  
Community and Human Development

**CITY OF EL PASO, TEXAS  
2005-2010 CONSOLIDATED PLAN SUBSTANTIAL AMENDMENT  
and  
2008-2009 ANNUAL ACTION PLAN SUBSTANTIAL AMENDMENT**

**Community Development Block Grant-Recovery (CDBG-R)  
Act Stimulus Program**



**PREPARED BY THE  
DEPARTMENT OF COMMUNITY AND HUMAN DEVELOPMENT  
MAY 26, 2009**

EXECUTIVE SUMMARY  
CITY OF EL PASO, TEXAS  
2005-2010 CONSOLIDATED PLAN

The "Executive Summary" section of the June 26, 2007 Consolidated Plan Amendment on page 4 is expanded to add this Executive Summary.

The Consolidated Plan of the City of El Paso is the document submitted to the U.S. Department of Housing and Urban Development (HUD) that serves as a comprehensive housing affordability strategy, community development plan, and submission for funding under the Community Development Block Grant (CDBG) Program. On July 19, 2005, the City Council of the City of El Paso adopted its five-year (2005-2010) Consolidated Plan. The City Council for the City of El Paso first amended the 2005-2010 Consolidated Plan to comply with new HUD regulations that became effective March 13, 2006; amended the 2005-2010 Consolidated Plan for a second time on August 26, 2008 to add a Neighborhood Revitalization Strategy Area component that was approved by HUD on November 12, 2008; amended the 2005-2010 Consolidated Plan for a third time on November 18, 2008 to add a Neighborhood Stabilization Program component that was approved by HUD on January 26, 2009; and amended the 2005-2010 Consolidated Plan for a fourth time on May 5, 2009 to add a Homelessness Prevention and Rapid Re-Housing Program component that was recently submitted to HUD by the May 18, 2009 deadline.

The City of El Paso ("the City") is currently amending its adopted Consolidated Plan for the period of September 1, 2008 to August 31, 2009 in order to add the Community Development Block Grant-Recovery (CDBG-R) Act Stimulus Program, authorized by Congress under the American Recovery and Reinvestment Act of 2009 (Recovery Act). Title XII of Division A of the Recovery Act (Public Law 111-005, approved February 17, 2009) appropriates \$1 billion dollars to carry out the CDBG program under Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301, et seq.) (the HCDA) on an expedited basis. These funds will be distributed to grantees that received CDBG funding in Fiscal Year (FY) 2008 in accordance with the provisions of 42 U.S.C. 5306. The grant program under Title XII is commonly referred to as the CDBG Recovery (CDBG-R) program. This 2005-2010 Consolidated Plan Amendment to add the CDBG-R program also hereby incorporates an Amendment to the City's 2008-2009 Annual Action Plan to add specific CDBG-R activities. Except as described in the Recovery Act, the statutory and regulatory provisions governing the CDBG program also apply to the CDBG-R program.

The intent of the Recovery Act is to enable local governments to carry out, on an expedited basis, eligible activities under the CDBG program that will:

- 1) Address current economic conditions;
- 2) Maximize job creation and economic benefit; and
- 3) Primarily invest in economic development, housing, infrastructure and public facilities

activities that will quickly spur further economic investment, increased energy efficiency, and job creation or retention.

Moreover, Title XII of Division A of the Recovery Act requires that, in selecting CDBG-R projects to be funded, recipients shall give priority to projects that can award contracts based on bids within 120 calendar days from the date the funds are made available to the recipients. Section 1602 of the Recovery Act also states that, when CDBG-R funds are being used for infrastructure investments, grantees must give preference to activities that can be started and completed expeditiously, including a goal to obligate at least 50 percent of the funds for activities that can be initiated within 120 days of enactment of the Recovery Act.

The following projects that are being recommended for CDBG-R funding constitute High and Medium Priority Need activities to be added to the 2008-2009 Annual Action Plan of the 2005-2010 Consolidated Plan of the City. They fall under the categories of Infrastructure, Public Facilities, Job Creation and/or Retention, Economic Benefit, and Microenterprise Assistance.

|   |           |
|---|-----------|
| 1) Coronado Road Phase II Street & Drainage Improvements - Construction Infrastructure..... | \$937,128 |
| 2) Father Martinez Senior Citizen Center Improvements - Construction Public Facility.....   | \$624,500 |
| 3) Centro Mayapan Festival Marketplace Job Retention and Microenterprise Support.....       | \$250,000 |
| 4) Project ARRIBA - Workforce Training Job Creation.....                                    | \$100,000 |
| 5) Citywide Curb Cut Demand Program (CDBG-R) Infrastructure.....                            | \$372,564 |

For the purposes of this Amendment, the City will utilize CDBG-R funds and pursue the above-specified activities to give priority consideration and focus additional federal funds on projects that can be started and completed expeditiously to stimulate the economy through HUD-approved measures, specified in the last paragraph of page 4. These projects were also primarily selected because they meet two of the three fundamental National Objectives of HUD: To create a suitable living environment and to create economic opportunities. Finally, these projects have been selected based on the following HUD criteria which follows the intent of the Recovery Act. The required elements in the CDBG-R substantial amendment to the annual action plan for entitlement communities, Insular Areas, and non-entitlement counties in Hawaii are:

- 1) Pursuant to 24 CFR 91.220(d), (e) and (l), a description of the activities the jurisdiction will undertake with these funds to address priority needs and objectives. 24 CFR 91.220(l)(ii) is waived. The grantee shall instead identify any other Recovery Act funding to be used in conjunction with each activity and total activity budget from all funding sources. In addition, grantees must provide information concerning CDBG-R assisted activities in an electronic spreadsheet provided by HUD. The information that must be reported in the

spreadsheet includes activity name, activity description, CDBG-R dollar amount budgeted, eligibility category, national objective citation, additional Recovery Act funds for the activity received from other programs, and total activity budget.

- 2) A description of how the distribution and uses of the grantee's CDBG-R funds will meet the requirements of Title XII of Division A and Section 1602 of the Recovery Act: that, in selecting projects to be funded, recipients shall give priority to projects that can award contracts based on bids within 120 calendar days from the date the funds are made available to the recipients; and that for CDBG-R funds being used for infrastructure investments, recipients shall give preference to activities that can be started and completed expeditiously, including a goal of using at least 50 percent of the funds for activities that can be initiated not later than 120 calendar days after February 17, 2009.
- 3) For each activity, a written description of how the use of CDBG-R funds for the activity will maximize job creation and economic benefit in relation to the CDBG-R funds obligated, and will address the Recovery Act, by:
  - (a) Preserving and creating jobs and promoting economic recovery;
  - (b) Assisting those most impacted by the recession;
  - (c) Providing investment needed to increase economic efficiency;
  - (d) Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
  - (e) Minimizing or avoiding reductions in essential services; or
  - (f) Fostering energy independence
- 4) For each activity, the number of full- and part-time jobs estimated to be created and retained by the activity (including permanent, construction and temporary jobs).
- 5) A description of the activities that will be carried out with CDBG-R funds that promote energy conservation, smart growth, green building technologies, or reduced pollution emissions.
- 6) Information on how to contact grantee program administrators, so that citizens and other interested parties know who to contact for additional information.

Attachment A-2, Required Elements of the CDBG-R Substantial Amendment, contains specific information regarding the six required elements outlined above for each of five projects recommended for CDBG-R funding.

Although the City was eligible to use up to 10% of the CDBG-R Program funds for administration, no portion of the CDBG-R has been allocated for this purpose. The City believes the intent of the CDBG-R stimulus funding is to fund project-specific activities that will stimulate the economy. Additional administration costs incurred by the City related to the CDBG-R Program will be minimal.

The process of adopting this Amendment is in compliance with HUD regulations governing amendments to the Consolidated Plan revised as of April 1, 2003, as follows, with the exception of (b) regarding the Citizen Participation Plan because HUD has waived some of the provisions regarding public comment, as explained on page 7, due to the expedient nature of this amendment:

Title 24 CFR PART 91 – CONSOLIDATED SUBMISSIONS FOR COMMUNITY PLANNING AND DEVELOPMENT PROGRAMS, Subpart F – Other General Requirements, Section 91.505, Amendments to the Consolidated Plan.

- (a) Amendments to the plan. The jurisdiction shall amend its approved plan whenever it makes one of the following decisions:
  - (1) To make a change in its allocation priorities or a change in the method of distribution of funds;
  - (2) To carry out an activity, using funds from any program covered by the consolidated plan (including program income), not previously described in the action plan; or
  - (3) To change the purpose, scope, location, or beneficiaries of an activity.
- (b) Criteria for substantial amendment. The jurisdiction shall identify in its citizen participation plan the criteria it will use for determining what constitutes a substantial amendment. It is these substantial amendments that are subject to a citizen participation process, in accordance with the jurisdiction's citizen participation plan.
- (c) Submission to HUD. (1) Upon completion, the jurisdiction must make the amendment public and must notify HUD that an amendment has been made. The jurisdiction may submit a copy of each amendment to HUD as it occurs, or at the end of the program year. Letters transmitting copies of amendments must be signed by the official representative of the jurisdiction authorized to take such action.

Since the inception of the Community Development Block Grant (CDBG) program over thirty years ago, the City of El Paso has received over 300 million dollars in federal grants that have funded countless worthwhile programs and projects to improve the community development-eligible neighborhoods and quality-of-life for low- to moderate-income residents. The CDBG-R Grant is a special CDBG allocation authorized under the Recovery Act to respond to the current nation-wide economic crisis by investing in our local communities in a manner that furthers the intent of the CDBG program as envisioned by Congress and HUD.

According to a memorandum from the President of the United States, the Recovery Act is "an investment package designed to provide a necessary boost to our economy in these difficult times and to create jobs, restore economic growth, and strengthen

America's middle class. The Recovery Act is designed to stimulate the economy through measures that, among other things, modernize the Nation's infrastructure, jump start American energy independence, expand high-quality educational opportunities, preserve and improve access to affordable health care, provide middle-class tax relief, and protect those in greatest need. It is not intended to fund projects for special interests." Furthermore, the Recovery Act also states that "while grantees (local government entitlement recipients) have the full range of CDBG eligible activities at their disposal for CDBG-R, Congress clearly intends that CDBG-R funds should primarily be invested in economic development, housing, infrastructure and other public facilities activities that will quickly spur further economic investment, increased energy efficiency, and job creation or retention. Consequently, the activities selected for the CDBG-R Program of the City of El Paso will address problems associated with inadequate infrastructure and public facilities, as well as economic hardship for many of the residents of our community.

This Amendment will make it possible for CDBG-R activities to be a valuable and expeditious tool for economic development in the El Paso community through the creation of jobs, and can enhance ongoing efforts by the City of El Paso to achieve sustainable neighborhood infrastructure revitalization in a manner that also furthers two national objectives of HUD: to provide a suitable living environment, and facilitate expanding economic opportunity.

The five-year Consolidated Plan is designed to document and address identified housing and non-housing community needs and solutions for programs and services for low- and moderate-income and special populations in designated community development areas of the City of El Paso. Incorporation of CDBG-R program funded activities into the 2008-2009 Annual Plan and 2005-2010 Consolidated Plan through this Amendment adhere to the guiding principles of the Consolidated Plan.

### **Summary of Changes to the 2005-2010 Consolidated Plan**

This Consolidated Plan Amendment resulted from a letter to CDBG Grantees (including the City of El Paso, Texas) from Shaun Donovan, the U.S. Department of Housing and Urban Development's Secretary, dated May 5, 2009, announcing the availability of additional funding for the Community Development Block Grant (CDBG) program under the American Recovery and Reinvestment Act of 2009 (Recovery Act). Also, HUD's website listed El Paso, Texas as an eligible Grantee for CDBG-R funding in the amount of \$2,284,192 under the "Community Development Block Grants" section and the "Allocations by State" link. The availability of such funding will compliment the City of El Paso's efforts to engage and proactively respond to the economic and infrastructure needs of the community at the neighborhood level.

Beginning in FY 2008, 2009, the City will utilize CDBG-R funds to implement a range of eligible CDBG activities that will foster economic growth and modernize El Paso's infrastructure. The City will construct a street and drainage improvement, construct the expansion of a senior center, provide street corner ADA curb cuts, support

microenterprises, facilitate the creation and retention of jobs, and provide access to economic opportunities that will lead to the creation of living wage jobs. The activities specified in Attachment A-1 will also reduce the number of substandard flood-prone streets, ADA non-compliant sidewalks, and inadequate public facilities, while creating jobs and supporting minority-owned microenterprises and impacting neighborhoods and residents having the greatest need.

### Incorporation of Changes

This Amendment incorporates the following changes into the City of El Paso's adopted 2005-2010 Consolidated Plan and amends the 2008-2009 Annual Action Plan in accordance with HUD requirements:

#### **Community Development Block Grant-Recovery Program Summary**

The CDBG-R Program is hereby added to the 2005-2010 Consolidated Plan for the City of El Paso, Texas, dated July 19, 2005 as Appendix 9. Eligibility Citations: Title XII of Division A of the American Recovery and Reinvestment Act of 2009, which appropriates \$1 billion to carry out the CDBG program under Title I of the Housing and Community Development Act of 1974 on an expedited basis. These funds will be distributed to grantees that received CDBG funding in (FY) 2008 in accordance with the provisions of 42 U.S.C. 5306. The Grant program under Title XII is commonly referred to as the CDBG Recovery (CDBG-R) program. Except as described in the Recovery Act, the statutory and regulatory provisions governing the CDBG program, found at 24 CFR part 570, subparts A, C, D, E, F, J, K, and O for CDBG entitlement communities, as appropriate, shall also apply to the CDBG-R program.

#### **Introduction**

The second paragraph of the Introduction section on page 1 is expanded to add, "HUD is only waiving the consolidated plan regulations on certification of consistency with the consolidated plan as they relate to the Citizen Participation process for the Community Development Block Grant-Recovery Program (CDBG-R). Conversely, HUD is creating a new set of certifications to ensure that CDBG-R funds will be used to meet the congressionally identified goals of the American Recovery and Investment Act of 2009 through the targeted activities set forth in this substantial amendment." This paragraph provides for expedited program implementation and implementation of statutory requirements unique to this appropriation.

#### **Other Narrative**

The Other Narrative section on page 32 is expanded to add the subheading "Community Development Block Grant-Recovery Program (CDBG-R)" and the following narrative: "For the purposes of this Amendment, the City will utilize CDBG-R funds and pursue activities that are first and foremost able to meet two of the three fundamental national objectives of HUD: Create a suitable living environment and Create economic

opportunities; and, secondly, are selected based on HUD criteria which follows the intent of the Recovery Act.”

In addition to amending the 2005-2010 Consolidated Plan to add the CDBG-R component, the 2008-2009 Annual Action Plan is also hereby amended to add CDBG-R activities as specified in Attachment A-1, 2009-2012 CDBG-R Grant Budget, and in Attachment A-3, CDBG-R Activity Data Spreadsheet, that contains additional information such as the applicable Eligibility Citation and National Objective for each project. The required, signed and dated CDBG-R Certifications, signed and dated SF-424, and the CDBG-R Submission Template and Checklist are also attached. The City is also complying with the additional requirement of submitting Attachment A-3, the spreadsheet provided by HUD to submit information concerning CDBG-R assisted activities to HUD electronically. Furthermore, this Amendment serves as the City’s application to the Department of Housing and Urban Development (HUD) to receive \$2,284,192 in CDBG-R funding beginning in FY 2008-2009.”

Also added as a subsequent paragraph is, “Information regarding the sole street and drainage improvement project listed in the proposed CDBG-R activities on page 2 will be submitted to the local Rio Grande Council of Governments (in conjunction with the submission of this Amendment to HUD) pursuant to Executive Order 12372 for review and recommendation as is standard procedure for all projects involving water and sewer facilities-related public works projects.”

Advertised 7-Day Public Comment Period and Public Hearing to Receive Public Comment Regarding the Draft 2005-2010 Consolidated Plan Amendment, to add an CDBG-R component, and to amend the 2008-2009 Annual Action Plan to add CDBG-R Activities

A Draft of the current 2005-2010 Consolidated Plan Amendment to add a CDBG-R component, as well as to amend the 2008-2009 Annual Action Plan to add CDBG-R activities, was made available to the general public in the Department of Community and Human Development on the 8<sup>th</sup> Floor of City Hall in El Paso, Texas, and at the main public library and at all public library branches, as well as at the El Paso Community College and the University of Texas at El Paso libraries for a 7-day period beginning on May 18, 2009. The notice of the availability of the draft was advertised in English in the El Paso Times newspaper, and in Spanish in the El Diario newspaper, both on May 18, 2009. No written comments were received. The requirement that the City of El Paso adhere to its citizen participation plan for substantial amendments was waived by HUD to shorten the usual public comment period to 7 calendar days due to time constraints. The waiver also required that the City post its substantial amendment materials on the official City of El Paso website as the materials were developed, published, and submitted to HUD. These amended requirements have been followed for this 2005-2010 Consolidated Plan Amendment to add the CDBG-R component, and to add CDBG-R activities under the 2008-2009 Annual Action Plan.

### Priority Needs Analysis

The "Priority Needs Analysis and Strategies (91.215(a))" section on pages 10 and 11 of the 2005-2010 Consolidated Plan has been followed, including alternative requirements allowed by HUD (explained above), due to the expedited nature of the amendment. The Community Development Needs table on pages 131 to 133 of the 2005-2010 Plan does not need to be expanded to accommodate this Amendment because the Community Needs listed for all but one of the planned projects are already rated as "high priority" in the existing table. Microenterprise Assistance is rated as "medium priority" in the existing table.

### Goals and National Objective

The Consolidated Plan is designed to document and address identified housing and non-housing community needs related to the creation of a suitable living environment, the provision of decent housing, and the creation of economic opportunities for low- and moderate-income and special populations in designated community development areas of the City of El Paso. The CDBG-R activities, as explained in this Amendment and identified in detail in Attachment A-1, adhere to the guiding principles of the Consolidated Plan and of the strategic goals and priorities contained in the "Statement of Strategic Goals" section of the June 26, 2007 Consolidated Plan Regulatory Amendment on pages 7-10. Finally, the CDBG-R activity Eligibility Citations specified in Attachment A-3 verify that 100% of the CDBG-R program grant will benefit persons of low- and moderate income and persons that meet a HUD presumed benefit definition, as well as neighborhoods that are eligible under HUD guidelines.

2009-2012 CDBG-R GRANT BUDGET – May 26, 2009

Attachment A-1

|                               | APPLICANT/ADDRESS   | PROJECT NAME – DESCRIPTION   | REP. DISTRICT | ECONOMIC BENEFIT  | PROPOSED BUDGET    |
|-------------------------------|---|--|---------------|---|--------------------|
| 1                             | Community Development<br>#2 Civic Center Plaza, 8 <sup>th</sup> Floor<br>El Paso, Texas 79901-1196  | <u>Coronado Road Phase II Street and Drainage Improvements Construction</u> from 1,000 ft. North to <u>Alameda Avenue</u> – Removal and replacement of existing asphalt pavement and construction of 5” concrete sidewalks on both sides of the street; driveways and curbs and gutters; four new ADA accessible wheelchair ramps; new driveways, removal and replacement of curbs and gutters on both sides of the street; installation of four streetlights; and installation of two traffic control signs.  | 3             | Preserve and create jobs and promote economic recovery. Invest in infrastructure that will provide long-term benefits. <b>21 construction jobs will be created.</b>   | \$937,128          |
| 2                             | Parks and Recreation Department<br>#2 Civic Center Plaza, 6 <sup>th</sup> Floor<br>El Paso, Texas 79901-1196; and<br>Representative Eddie Holguin<br>#2 Civic Center Plaza, 10 <sup>th</sup> Floor<br>El Paso, Texas 79901-1196 | <u>Father Martinez Senior Citizen Center Improvements Construction, 9301 Alameda Avenue</u> – Conversion of outdoor patios into an exercise room and dance studio; expansion of main hall and storage eastward by 300 sq. ft. to increase occupancy of hall from 150 to 300 persons; removal of vinyl flooring at main hall and re-floor main hall and expansion with matching vinyl flooring; addition or enlargement of existing restrooms; installation of 4 security cameras in expansion area; removal of existing playground and installation of new ADA accessible playground and equipment east of existing playground area to allow room for the addition to the center; installation of 18-inch high rock wall around playground area and provide ADA accessible route from existing sidewalk to new playground area; installation of metal roof shade shelter at playground; and installation of landscaping and modification of irrigation system around the new improvements. | 6             | Preserve and create jobs and promote economic recovery. Invest in infrastructure that will provide long-term benefits. <b>14 construction jobs will be created.</b>   | \$624,500          |
| 3                             | El Puente Community Development Corporation<br>200 Texas Avenue<br>El Paso, Texas 79901   | <u>Centro Mayapan Festival Marketplace, 2101 Myrtle Avenue</u> – Provision of job retention and microenterprise development support through Centro Mayapan Festival Marketplace. Funds would be used to assist in retaining 25 entry-level positions employing low/moderate community members and to assist in providing support to 22 microenterprises operating in Centro Mayapan during the first six months of Centro Mayapan’s operations. After this six-month period, El Puente will have access to growing revenues & extensive public & private investment and grant support.   | 3 & 8         | Preserve and create jobs and promote economic recovery. Assist those most impacted by the recession. Provide investment needed to increase economic efficiency. <b>25 jobs will be retained and 22 microenterprises will be supported.</b>  | \$250,000          |
| 4                             | Project Arriba<br>1155 Westmoreland, Suite 235<br>El Paso, Texas 79925-5623   | <u>Project Arriba</u> – Provision of workforce training to unemployed, underemployed and dislocated workers in hard-to-fill positions in industries (health care, education, information technology) with job vacancies. Funds will be used to support the overall workforce retraining project and will cover a portion of staff salaries/benefits, contract services, rent, telephone, equipment rental/maintenance, postage/shipping, office supplies, insurance and participant expenses. <b>(Public Service Project – Subject to 15% Cap Requirement) – Job Training</b>  | Citywide      | Preserve and create jobs and promote economic recovery. Assist those most impacted by the recession. Provide investment needed to increase economic efficiency. <b>At least 50 low income program participants will have access to economic opportunities. Of the 50 participants, 16 will be placed into living wage jobs per year over a 3-year period (48 jobs).</b> | \$100,000          |
| 5                             | Office of Accessibility ADA<br>Engineering Department<br>#2 Civic Center Plaza, 4 <sup>th</sup> Floor<br>El Paso, Texas 79901-1196  | <u>Citywide Curb Cut Demand Program (CDBG-R)</u> – Provision of approximately 150 street corner curb cuts near homes, paths of travel, places of employment, etc. for persons with individual accessibility issues. Limit of four curb cuts per request. Program would only address and correct accessibility impediments that can be completely solved by the installation of curb cuts.  | Citywide      | Preserve & create jobs and promote economic recovery. Invest in infrastructure improvements that will provide long-term economic benefits. Assist those most impacted by the recession. <b>150 curb cuts would reduce accessibility issues to a minimum of 38 persons. 10 construction jobs will be created.</b>  | \$372,564          |
| <b>2009-2012 TOTAL BUDGET</b> |   |  |               |   | <b>\$2,284,192</b> |

## Required Elements of the CDBG-R Substantial Amendment

- 1) Pursuant to 24 CFR 91.220(d), (e) and (l), a description of the activities the jurisdiction will undertake with these funds to address priority needs and objectives. 24 CFR 91.220(l)(ii) is waived. The grantee shall instead identify any other Recovery Act funding to be used in conjunction with each activity and total activity budget from all funding sources. In addition, grantees must provide information concerning CDBG-R assisted activities in an electronic spreadsheet provided by HUD. The information that must be reported in the spreadsheet includes activity name, activity description, CDBG-R dollar amount budgeted, eligibility category, national objective citation, additional Recovery Act funds for the activity received from other programs, and total activity budget.

Response:

Provided as Attachment 3, CDBG-R Activity Data Spreadsheet, of this Amendment. No other Recovery Act Funding is applicable to any of the planned projects.

- 2) A description of how the distribution and uses of the grantee's CDBG-R funds will meet the requirements of Title XII of Division A and Section 1602 of the Recovery Act: that, in selecting projects to be funded, recipients shall give priority to projects that can award contracts based on bids within 120 calendar days from the date the funds are made available to the recipients; and that for CDBG-R funds being used for infrastructure investments, recipients shall give preference to activities that can be started and completed expeditiously, including a goal of using at least 50 percent of the funds for activities that can be initiated not later than 120 calendar days after February 17, 2009.

Response:

All of the infrastructure investment construction projects recommended for funding using CDBG-R funds will meet the above-specified criteria. As mandated, the City is giving preference to activities that can be started and completed expeditiously. At least 50% of the recommended CDBG-R funded activities are planned for activities that can be initiated not later than 120 calendar days after February 17, 2009.

- 3) For each activity, a written description of how the use of CDBG-R funds for the activity will maximize job creation and economic benefit in relation to the CDBG-R funds obligated, and will address the Recovery Act, by:
  - (a) Preserving and creating jobs and promoting economic recovery;
  - (b) Assisting those most impacted by the recession;
  - (c) Providing investment needed to increase economic efficiency;
  - (d) Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
  - (e) Minimizing or avoiding reductions in essential services; or
  - (f) Fostering energy independence

Response:

Although the following information is available in Attachment 1, it is also provided below, with added detail:

1. Coronado Road Phase II Street and Drainage Improvements Construction:  
Preserve and create jobs and promote economic recovery and economic efficiency, primarily for low- and moderate income persons, including those most impacted by the recession. Invest in infrastructure that will provide long-term benefits for transportation and quality of life improvements for the residents. **21 construction jobs will be created.**
2. Father Martinez Senior Citizen Center Improvements Construction:  
Preserve and create jobs and promote economic recovery and economic efficiency, primarily for low- and moderate income persons, including those most impacted by the recession. Invest in infrastructure that will provide long-term benefits for the residents and the City. **14 construction jobs will be created.**
3. Centro Mayapan Festival Marketplace Economic Improvements:  
Preserve and create jobs and promote economic recovery and economic efficiency. Assist those most impacted by the recession. Provide investment needed to increase economic efficiency. **25 jobs will be retained, and 22 microenterprises will be supported.**

EL PUENTE CDC PROJECT: Retaining Jobs and Supporting Microenterprises through Centro Mayapan Festival Marketplace

El Puente Community Development Corporation is a HUD-recognized Community Based Development Organization (CBDO) located in South-Central El Paso. The proposed project addresses the severe problem and need for the retention of economic opportunities for low- and moderate-income Spanish-speaking women and their families in the El Paso area, with an emphasis on the CBDO service area. On May 1, 2009, El Puente CDC inaugurated the opening of Centro Mayapan, an Incubator entity comprised of small businesses, social enterprises and micro-entrepreneurs, for the purpose of creating jobs for low-and moderate-income community members in the El Paso area, especially those living within the CBDO service area. CDBG-R funds will be used in retaining 25 entry-level staff positions in Centro Mayapan. Persons occupying the positions will be residents of El Puente's CDBO service area. In addition, 22 microenterprises located in Centro Mayapan will be provided business supportive services during the same six month period.

4. Project Arriba Advance Retraining and Redevelopment Initiative in Border Areas Economic Improvements:

Preserve and create jobs and promote economic recovery and economic efficiency. Assist those most impacted by the recession. Provide investment needed to increase economic efficiency. **At least 50 low income program participants will have access to economic opportunities. Of the 50 participants, 16 will be placed into living wage jobs per year over a 3-year period (48 jobs).**

PROJECT A.R.R.I.B.A (Advance Retraining and Redevelopment Initiative in Border Areas)  
PROJECT: Project ARRIBA

The proposed project is a Public Service project that addresses the increasing unemployment rate in the El Paso area, 8.2% as per February 2009 Texas compared to 8.9 % nationally, according to the Texas Workforce Commission. As a workforce development initiative, the Project ARRIBA program facilitates a college education for low income individuals through intense

case management that connects them to wrap around supportive services (e.g. assistance with tuition, childcare, transportation, etc.) and direct training (soft skills needed in the job sector). With a one year CDBG-R funding, Project ARRIBA will train 50 low income participants and report training performance results to the City of El Paso for a 3-year period. The agency projects that of the 50 trainees, 16 of trainees will complete the training and will be job placed into living wage jobs each year for a total of 48 job placements for the 3-year period.

5. Citywide Curb Cut Demand Program (CDBG-R) Construction:

Preserve & create jobs and promote economic recovery. Invest in infrastructure improvements that will provide long- term economic benefits. Assist those most impacted by the recession. **150 curb cuts would reduce accessibility issues to a minimum of 38 persons. 10 construction jobs will be created.**

- 4) For each activity, the number of full- and part-time jobs estimated to be created and retained by the activity (including permanent, construction and temporary jobs).

Response:

1. Coronado Road Phase II Street and Drainage Improvements - Construction: 21 full-time construction jobs will be created.

2. Father Martinez Senior Citizen Center Improvements - Construction: 14 full-time construction jobs will be created.

3. Centro Mayapan Festival Marketplace - Economic Improvements: 25 full-time jobs will be retained, and 22 microenterprises will be supported.

4. Project Arriba Advance Retraining and Redevelopment Initiative in Border Areas - Economic Improvements:  
At least 50 low-income program participants will have access to economic opportunities. Of the 50 participants, 16 will be placed into living wage jobs per year over a 3-year period, for a total of 48 full-time jobs created.

5. Citywide Curb Cut Demand Program (CDBG-R) - Construction: 10 full-time construction jobs will be created.

- 5) A description of the activities that will be carried out with CDBG-R fund that promote energy conservation, smart growth, green building technologies, or reduced pollution emissions.

Response: Not applicable

- 6) Information on how to contact grantee program administrators, so that Citizens and other interested parties know who to contact for additional information.

Response: Judy G. Sarabia, Senior Grant Planner  
Department of Community and Human Development  
City of El Paso, Texas 79901  
(915) 541-4643

CDBG-R  
Activity Data Spreadsheet

Attachment A-3

| Jurisdiction/Grantee Name: <b>City of El Paso, Texas</b>                      |  | CDBG-R Formula Grant Amount: <b>\$2,284,192</b>          |  |   |   | Date: <b>May 26, 2009</b>                   |                                      |
|---|--|--|--|---|---|---|--------------------------------------|
| <i>Activity Name</i>  | <i>Activity Description</i>  | <i>Eligibility<br/>(Regulatory or<br/>HCDA Citation)</i> | <i>National<br/>Objective<br/>Citation</i> | <i>CDBG-R<br/>Project<br/>Budget (\$)</i> | <i>Additional<br/>Recovery<br/>Funds (\$)</i> | <i>Other<br/>Leveraged<br/>Funding (\$)</i> | <i>Total<br/>Activity<br/>Budget</i> |
| Coronado Road Phase II Street and Drainage Improvements Construction          | Construction of street and drainage improvements on Coronado Road from 1000 feet North to Alameda Avenue, to include removal and replacement of existing asphalt pavement and construction of 5-foot concrete sidewalks on both sides of the street; removal and replacement of curbs and gutters on both sides of the street; new driveways; four new ADA-accessible wheelchair ramps; and installation of 4 street lights and 2 traffic control signs. <b>Administered by Community Development, #2 Civic Center Plaza, 8th Floor, El Paso, Texas 79901-1196.</b>  | 570.201(c)   | 570.208(a)(1)                              | \$937,128                                 |   | \$0   | \$937,128                            |
| Father Martinez Senior Center Improvements Construction - 9301 Alameda Avenue | Conversion of outdoor patios into an exercise room and dance studio; expansion of main hall and storage eastward by 300 square feet to increase occupancy of hall from 150 to 300 persons; removal of vinyl flooring at main hall and re-floor main hall and expansion with matching vinyl flooring; addition or enlargement of existing restrooms; installation of 4 security cameras in expansion area; removal of existing playground and equipment east of existing playground area to allow room for the addition to the Center; installation of 18-inch high rock wall around playground area and provide ADA-accessible route from existing sidewalk to new playground area; installation of metal roof shade shelter at playground; and installation of landscaping and modification of irrigation system around the new improvements. <b>Administered by Community Development, #2 Civic Center Plaza, 8th Floor, El Paso Texas 79901-1196.</b> | 570.201(c)   | 570.208(a)(2)                              | \$624,500                                 |   | \$0   | \$624,500                            |
| Centro Mayapan Festival Marketplace - 2101 Myrtle Avenue                      | Provision of job retention and microenterprise development support through Centro Mayapan Festival Marketplace. Funds would be used to assist in retaining 25 entry level positions employing low/moderate community members and to assist in providing support to 22 microenterprises operating in Centro Mayapan during the first six months of Centro Mayapan's operations. After this six-month period, El Puente will have access to growing revenues and extensive public and private investment and grant support. <b>Administered by El Puente Community Development Corporation, 200 Texas Avenue, El Paso, Texas 79901.</b>  | 570.204(a)(2)  | 570.208(a)(4)                              | \$250,000                                 |   | \$250,000                                   | \$500,000                            |

| Jurisdiction/Grantee Name: <b>City of El Paso, Texas</b> |   | CDBG-R Formula Grant Amount: <b>\$2,284,192</b>          |  |   |   | Date: <b>May 26, 2009</b>                   |                                      |
|--|---|--|--|---|---|---|--------------------------------------|
| <i>Activity Name</i>                                     | <i>Activity Description</i>   | <i>Eligibility<br/>(Regulatory or<br/>HCDA Citation)</i> | <i>National<br/>Objective<br/>Citation</i> | <i>CDBG-R<br/>Project<br/>Budget (\$)</i> | <i>Additional<br/>Recovery<br/>Funds (\$)</i> | <i>Other<br/>Leveraged<br/>Funding (\$)</i> | <i>Total<br/>Activity<br/>Budget</i> |
| Project Arriba   | Provision of workforce training to unemployed, underemployed and dislocated workers in hard to fill positions in industries (health care, education, information technology) with job vacancies. Funds will be used to support the overall workforce retraining project and will cover a portion of staff salaries/benefits, contract services, rent, telephone, equipment rental/maintenance, postage/shipping, office supplies, insurance and participant expenses. <b>Administered by Project Arriba, 1155 Westmoreland, Suite 235, El Paso, Texas 79925-5623.</b> | 570.201(e)   | 570.208(a)(2)                              | \$100,000                                 |   | \$1,331,964                                 | \$1,431,964                          |
| Citywide Curb Cut Demand Program (CDBG-R)                | Provision of approximately 150 street corner curb cuts near homes, paths of travel, places of employment, etc. for persons with individual accessibility issues. Limit of four curb cuts per request. Program would only address and correct accessibility impediments that can be completely solved by the installation of curb cuts. <b>Administered by Office of Accessibility ADA, Engineering Department, #2 Civic Center Plaza, 4th Floor, El Paso, Texas 79901-1196.</b>   | 570.201(c)   | 570.208(a)(2)                              | \$372,564                                 |   | \$0   | \$372,564                            |
|  |   |  |  |   |   |   |                                      |
|  |   |  |  |   |   |   |                                      |
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|  |   |  |  |   |   |   |                                      |
|  |   |  |  |   |   |   |                                      |

CDBG-R  
Activity Data Spreadsheet

**Attachment A-3**

| Jurisdiction/Grantee Name: <b>City of El Paso, Texas</b> |                      | CDBG-R Formula Grant Amount: <b>\$2,284,192</b> |                                   |                                  |                                      | Date: <b>May 26, 2009</b>          |                             |
|--|----------------------|---|-----------------------------------|----------------------------------|--------------------------------------|------------------------------------|-----------------------------|
| Activity Name  | Activity Description | Eligibility<br>(Regulatory or<br>HCDA Citation) | National<br>Objective<br>Citation | CDBG-R<br>Project<br>Budget (\$) | Additional<br>Recovery<br>Funds (\$) | Other<br>Leveraged<br>Funding (\$) | Total<br>Activity<br>Budget |
|  |                      |   |                                   |                                  |                                      |                                    |                             |
|  |                      |   |                                   |                                  |                                      |                                    |                             |
|  |                      |   |                                   |                                  |                                      |                                    |                             |
|  |                      |   |                                   |                                  |                                      |                                    |                             |
|  |                      |   |                                   |                                  |                                      |                                    |                             |
|  |                      |   |                                   |                                  |                                      |                                    |                             |
|  |                      |   |                                   |                                  |                                      |                                    |                             |