

**AGENDA FOR THE MEETING
DUNSMUIR CITY COUNCIL
September 3rd, 2020**

REGULAR SESSION: 6:00 pm

Join Zoom Meeting: <https://us02web.zoom.us/j/84424135442>

Or Call: +1 669 900 6833

Enter Meeting ID: 844 2413 5442

As a courtesy, please turn off cell phones and electronic devices while the meeting is in session. Thank you.

- 1. CALL TO ORDER AND FLAG SALUTE**
- 2. ROLL CALL**
- 3. SPECIAL PRESENTATIONS AND ANNOUNCEMENTS**
- 4. PUBLIC COMMENT**

Regular City Council meetings are posted on the City's website to keep City residents informed of City Council actions and deliberations that affect the community. Meetings are scheduled to be televised on the 1st and 3rd Thursday of each month. Meetings that take place on dates other than the 1st and 3rd Thursday will not be televised.

This time is set aside for citizens to address the City Council on matters listed on the Consent Agenda as well as other items **not** included on the Regular Agenda. If your comments concern an item noted on the Regular Agenda, please address the Council when that item is open for public comment. **Each speaker is allocated three (3) minutes to speak. Speakers may not cede their time to another speaker.** Comments should be limited to matters within the jurisdiction of the City. Speaker forms are available from the City Clerk, 5915 Dunsmuir Ave, Dunsmuir, on the City's website, or on the podium. The City Council can only take action on matters that are on the Agenda, but may place matters brought to their attention at this meeting on a future Agenda for consideration. If you have documents to present to members of the City Council, please provide a minimum of seven (7) copies.

- 5. COUNCIL AND STAFF COMMENTS**
- 6. COMMITTEE REPORTS**
- 7. APROVAL OF MINUTES: August 27th, 2020**
- 8. CONSENT AGENDA:**
 - a. Check Register: 8/22- 8/28/2020
 - b. Council Memo – Regarding Traveler's Hotel project
- 9. PUBLIC HEARING:**
 - A. Second reading for 2019/2020 CDBG Application

Public Hearing Protocol:

- a. **Mayor will describe the purpose of the Public Hearing.**
- b. **City Staff will provide the Staff Report.**
- c. **City Staff will respond to questions from the City Council.**

- d. Mayor will open the Public Hearing.
- e. Citizens wanting to comment will come to the podium, provide the City Clerk with their name and address and provide their comments.
- f. Mayor will close the Public Hearing.

10. OLD BUSINESS

- A. Approve revamp of EDBG program to allow micro-enterprise low/no interest loans and up to \$20k grants for qualifying small businesses and approve resolution 2020-18 authorizing City Manager to apply for CDBG Grant.

11. NEW BUSINESS

- A. Resolution Encouraging the Wearing of Face Masks
- B. Enforcement of Abandoned and Distressed Buildings Ordinance
- C. Children’s Park Project

12. FUTURE AGENDA ITEMS

Future Agenda Items are topics brought to the City Council for review and/or action. All dates refer to first introductions and can be altered due to time and priority levels.

13. ADJOURNMENT

Copies of this agenda were posted at City Hall, Dunsmuir City Library, Dunsmuir Park and Recreation District Office and at the Post Office on or before 5:30 PM August 31st, 2020.

The City of Dunsmuir does not discriminate on the basis of race, color, national origin, religion, age, gender, sexual orientation, disability or any other legally protected classes in employment or provision of services. Persons who need accommodations for a disability at a public meeting may call City Hall at (530) 235-4822 for assistance. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to accommodate participation in the meeting.

CERTIFICATION

This is the official Dunsmuir City Council Agenda, created and posted in accordance with the Dunsmuir City Council Protocols.

Deputy City Clerk
Wendy Perkins

Date

DUNSMUIR CITY COUNCIL
Minutes
August 27th, 2020

1. CALL TO ORDER AND FLAG SALUTE

Meeting was called to order by Mayor Lucchesi at 6:04 pm.

2. ROLL CALL

Councilmembers present: Arth, Bryan, Deutsch, Keisler, and Lucchesi

Councilmembers absent: None

Staff present: CM Juhasz, Deputy City Clerk Perkins, FD Michaelson

3. SPECIAL PRESENTATIONS AND ANNOUNCEMENTS

4. PUBLIC COMMENT

None

5. COUNCIL AND STAFF COMMENTS

Staff Comments: **Arth**. 4 items. Big thanks to Sherriff Lopey. Picnic bench in community garden provided by Sherriff's office.

What happened to face mask ordinance?

Seeing more and more graffiti, what happened to enforcement of distressed property, empty and abandoned building? There are no longer pre-agenda meetings. There are many things we should be talking about that are not on the agenda.

Keisler – Bothered by the vandalizing of railroad station waiting room.

Bryan – Concurs thanks to Sherriff Lopey for his service and acknowledges his announcement for retirement. Also concerned about abandoned and vacant buildings. River Exchange clean-up day has been cancelled this year because of Covid-19. Encourages parents and children to take one day of the fall to collect waste and debris along the river.

Deutsch – Echoes support and congrats to Lopey and his retirement. Brings up need for housing. Mentions ED of COC could not find a rental in town and had to seek housing elsewhere. Voices support for code enforcement and Mr. Allen.

CM Juhasz – Face mask resolution. We are reviewing the ordinance with our City Attorney as it may not be legally enforceable. We need to move into Phase 3 before we enforce abandoned and vacant building ordinance. Last week held meeting about Butterfly Bridge engineering project kick off meeting. Signed FAA paperwork for 3 Million dollar grant. We need to tie up some funding for USDA water grant funding ~ \$10million loan and grant.

Going to bid hopefully as early as tomorrow. Playground and Prop 68 money: Has an appraiser to look at property next to park and if we can come to an agreement we will buy a portion of the property which we don't own. If we can't move the parcel slightly south, we can just physically move the park over so it remains entirely on City Owned property.

Mossbrae Falls trail Project : We have a great design and want to move forward there are some off the record comments that we'll have trouble leasing the property from UP.

Suggestion is to go through Congressman La Malfa's office to put pressure on them from the top (D.C level).

Mayor Lucchesi: We have been in discussion with CP Tinsman to discuss regulation of short term rentals. Discussion of ongoing use of Zoom meetings and CA state guidelines we continue with Zoom vs in-person meetings.

6. COMMITTEE REPORTS – Finance Committee met.

Update on Finance Committee meeting

Bryan - Ongoing investigation in 16% revenue shortfall of sewer vs 5 year plan. Pace will be helping us.

Arth- We did take 2 formal actions; airport fund deficit can be moved to general fund. Recognizing that our 5-year Water Plan with Pace engineering agreement has expired. We need to check in with Pace to see what timeline is with Prop 218.

Bryan – We are waiting on funds from the state before we pursue new planning process for water/sewer 5-year plan. Airport fund recco, would be \$20K in CARES act funding will be applied to shortfall in general fund deficit. This will save us interest. Reccos we revisit every 6 months, so we don't fall behind.

Deutsch – We should be looking for info from PACE, what wasn't done or need to be done in past. Now that our rates have been raised we can access the grant money to plan for improvements.

7. APPROVAL OF MINUTES: August 6th, 2020

Motion to approve minutes of 8/6/2020 Keisler and 2nd by Bryan

Roll Call Vote: AYES: Arth, Bryan, Deutsch, Keisler, Lucchesi

NOES: None

ABSENT: None

ABSTAIN: None 5-0-0-0

8. CONSENT AGENDA:

a. Check Register approval 8/1-8/21/2020

b. Allow staff to work with HCD to expand scope of SB2 Planning Grants from limited General Plan Amendments, zoning texts, and environmental documents to complete a more expansive overhaul of the City's Zone Code along with originally proposed General Plan amendments

Motion to approve consent agenda by Arth, 2nd Deutsch

Roll Call Vote: AYES: Arth, Bryan, Deutsch, Keisler, Lucchesi

NOES: None

ABSENT: None

ABSTAIN: None 5-0-0-0

9. PUBLIC HEARING:

a. CDBG-CV 1 Grant (community development block grant – corona virus relief) Program income use.

Alex McBride (program manager of SEDC) and Quintin (SEDC) are here to participate in discussion. Available by right to cities qualified by population and (low) income. We are receiving \$60,000. On top of that we have received \$65,000 from EDBG payments from the loans we’ve given out over time. Covid funds designed to help with folks displaced due to pandemic. Also can be used for economic development purposes. In total, we’ll have \$125,000 to work with and we can include micro businesses affected. Targeted to prevent, prepare for and respond to coronavirus.

Alex McBride (Program Manager with SEDC) : Looking forward to assist our businesses during these times. Funds will come into play within 6-12 month period. Federal funding will run out and these local funds will be accessible after that.

Arth – asks clarifying question.

Juhasz -\$500K request funds for City of Dunsmuir (from the CDBG 19-20). Covid relief money would be \$60,000. And we have addl \$65K for program income.

Quintin Gaddy (SEDC)- Total CV1 income would be close to \$700,000 for the joint application with all jurisdictions. Will divert portion of administrative costs (between Dunsmuir and SEDC). Dunsmuir would be lead applicant which would have resp. for California Housing Community development. Dunsmuir would use approx.. \$120,000 , and \$20,000 would be applied for administrative costs.

Public Comment opened at 6:55 p.m. None.

Motion to approve Resolution 2020-17 executing a MOU to act as lead agency and direct staff to apply for the 2020 CDBG (Community Development Block Grant) CV-1 (Corona Virus Response) NOFA (notice of funding availability dated June 5th, 2020) by title only.

Motion to approve Resolution 2020-17 by Keisler 2ND by Bryan

Roll Call Vote: AYES: Arth, Bryan, Deutsch, Keisler, And Lucchesi

NOES: None

ABSENT: None

ABSTAIN: None 5-0-0-0

b. 2019/2020 CDBG NOFA (community development block grant notice of funding availability) (We have 2017 money that never got programmed) This grant has less strings attached. Recommend action to continue to 2nd public hearing on Sept. 3d

No public comment

Motion by Kesiler, 2nd by Arth to table to Sept. 3rd meeting.

Roll Call Vote: AYES: Arth, Bryan, Deutsch, Keisler, And Lucchesi

NOES: None

ABSENT: None

ABSTAIN: None 5-0-0-0

10. OLD BUSINESS - None

11. NEW BUSINESS

- a. EDBG program to allow micro-enterprise low/no interest loans and up to \$20k grants for qualifying small businesses.

Juhasz – Introduces the item. Moves us to approve micro-enterprise loans which are loan interest, and potentially forgivable for folks that need it to keep up and running. Keisler asks if there are any further info on this item.

Lucchessi: We’ll most likely bring this back to a future meeting, since more info is being requested.

Arth – Requesting more info and Staff report.

Juhasz – We’re moving away from traditional CDBG program to something more nimble, more flexibility to type of businesses we loan to. We can do this for smaller amounts.

Deutsch – CD and ED what is difference?

Juhasz- it is part of same funds, traditionally for low and moderate income housing and services. More need right now would be to help new businesses and helping existing businesses to community.

Public Comment open at 7:07 p.m. – No public Comment

Discussion: We are going to need more info

Lucchessi makes motion to move this item to a future meeting, 2nd by Deutsch

Roll Call Vote: AYES: Arth, Bryan, Deutsch, Keisler, Lucchessi

NOES: None

ABSENT: None

ABSTAIN: None 5-0-0-0

- b. Resolution regarding applying for CDBG (community development block grant) corona virus relief funds and combining with Program Income –

Lucchessi- We already satisfied this item. This is a duplicate of item of 9 a.

- c. On August 12th the Planning Commission approved vesting for a subdivision map, use permit, historic site evaluation permit for the Traveler’s Hotel project

Juhasz –This item Purely informational. No vote needed. Traveler’s project went to Planning Commission. Approved with the subdivision map, use permit and historic site alteration at the former Travelers’s hotel.

Arth – Expresses concern for lack of parking. 4 commercial units here. As many as 28 housing units. This could pose a big parking problem.

Paris Petrick – expresses concern over lack of parking, potential noise from HVAC in addition to lack of ADA accessibility on upper levels.

12. FUTURE AGENDA ITEMS

Face mask reso
Enforcement of Abandoned and Distressed Buildings Ordinance
Children’s Park Project
2nd reading of 2019/2020 CDBG NOFA Resolution
Reso of finance committee to add another public member

13. ADJOURNMENT

Meeting was adjourned at 7:36 p.m. by Bryan 2nd by Deutsch. Adjourned by Concensus.

Mayor Lucchesi

Wendy Perkins, Deputy City Clerk

Date

Check Register Report

08/22/2020-08/28/2020

Date: 08/31/2020

Time: 9:29 am

Page: 1

City of Dunsmuir

BANK: U.S. BANK

Check Number	Check Date	Status	Void/Stop Date	Reconcile Date	Vendor Number	Vendor Name	Check Description	Amount
U.S. BANK Checks								
54207	08/28/2020	Printed			1910	AT&T	SR lift alarm	70.24
54208	08/28/2020	Printed			1910	AT&T	SDSA pump	91.43
54209	08/28/2020	Printed			1910	AT&T	River ave lift station	91.43
54210	08/28/2020	Printed			1910	AT&T	15 lift station	91.43
54211	08/28/2020	Printed			1910	AT&T	Look out point	66.01
54212	08/28/2020	Printed			1910	AT&T	wwtp 0850	91.43
54213	08/28/2020	Printed			2635	BASIC LABORATORY, INC.	ww biweekly LND	650.40
54214	08/28/2020	Printed			9999999174	BENSON & SONS ROOFING	Hangar A skylight/ roof	2,800.00
54215	08/28/2020	Printed			10353	GARY BENSON	Rent Children's park	725.00
54216	08/28/2020	Printed			5240	CASCADE FIRE EQUIPMENT CO	Repair air packs	689.97
54217	08/28/2020	Printed			5240	CASCADE FIRE EQUIPMENT CO	air pack flow test SCBA	1,560.00
54218	08/28/2020	Printed			6325	CLEMENS WASTE REMOVAL	2 yd bin Witherell water	75.00
54219	08/28/2020	Printed			6325	CLEMENS WASTE REMOVAL	95 65gal rental and recycling	2,075.30
54220	08/28/2020	Printed			6325	CLEMENS WASTE REMOVAL	Aug 2020	13,766.14
54221	08/28/2020	Printed			9679	LOUIE DEWEY	credit for 4801 Duns Act93003	82.43
54222	08/28/2020	Printed			9303	FASTENAL COMPANY	fruit punch RTD	69.04
54223	08/28/2020	Printed			5219	FERGUSON ENTERPRISES INC,1423	1/8"mtr gskt neoprene	297.53
54224	08/28/2020	Printed			10456	J & J PUMPS INC.	CLEAN/ SERVICE PUMP	12,446.50
54225	08/28/2020	Printed			1224	LONGHAIR COLLISION WORKS	Paint new Fire Engine	1,000.00
54226	08/28/2020	Printed			10675	PRECISION EMPRISE LLC	SIDEWALK ASSESSMENT	1,351.23
54227	08/28/2020	Printed			45110	MARIO J. RUBINO	TREASURER STIPEND AUG2020	50.00
54228	08/28/2020	Printed			10672	SHEPARD BROS., INC	Allpet shipping balance due	227.67
54229	08/28/2020	Printed			57228	SOLANO'S CONTRACTOR	doug fir 2X12 for truck	279.96
54230	08/28/2020	Printed			48255	SOUSA READY MIX, LLC.	base rock	446.57
54231	08/28/2020	Printed			53813	US BANK CORP PAYMENT SYSTEMS	July charges	4,144.81

Total Checks: 25

Checks Total (excluding void checks):

43,239.52

Total Payments: 25

Bank Total (excluding void checks):

43,239.52

Total Payments: 25

Grand Total (excluding void checks):

43,239.52



MEMO TO THE CITY OF DUNSMUIR CITY COUNCIL REGARDING THE COUNCIL'S AUGUST 27TH DISCUSSION ABOUT THE WESTERN STATES REAL ESTATE VESTING TENTATIVE SUBDIVISION MAP

To: Mayor and City Council Members
From: Richard Tinsman, City Planner
Date: September 3, 2020
Subject: Parking requirements in the Central Commercial Historic District & Travelers Hotel Elevator Shaft

ISSUES DISCUSSED:

Parking

At a Special Meeting of the City Council on August 27, 2020, discussion was had regarding the lack of off-street parking for the recently approved Western States Real Estate Vesting Tentative Subdivision Map (i.e., Travelers Hotel condominium conversion). It is worth noting that a similar discussion was held by the Planning Commission prior to its approval of the vesting tentative subdivision map on August 12th. In addition, off-street parking and alternative parking solutions were discussed at length with the project engineer during the pre-application period. Nevertheless, any off-street parking for residents of the Travelers is likely to be provided as amenity to encourage sales/occupancy rather than through City mandate. This is because Ordinance No. 557, as adopted by the City Council on February 2, 2017, made it so the City is unable to require that off-street parking or an alternative parking solution be provided.

For those unfamiliar with Ordinance No. 557, it amended the Code to reduce off-street parking requirements throughout the City. Moreover, as it relates to the Travelers project, Ordinance No. 557 added Section 17.28.145 to the Code (provided below), which for all intents and purposes eliminated off-street parking requirements in the Historic District.

Please note that Section 17.28.145 is improperly identified as both Sec. 17.28.145 and Sec. 17.28.140 in Ord. No. 557, and it includes other errors as well. For this reason, the text of Section 17.28.145 shown below is as adopted (i.e., without correction) and includes errors.

17.28.140 - Historic district parking regulations.

- A. Purpose. It is found that the protection, enhancement, perpetuation and use of businesses within the Dunsmuir historic commercial district will be assured in part through encouraging a walkable core, and by preserving the existing structures to the extent possible. It is also found that much of the existing downtown commercial core businesses have no on-site parking provided.

B. Definitions:

"Dunsmuir historic commercial district" means a composite of roughly four blocks comprising the downtown core business district on Sacramento Avenue and Dunsmuir Avenue, Pine and Cedar Streets (see Figure 17.28).

- C. The uses established or permitted to be established in existing buildings in the Dunsmuir historic commercial district are exempt from parking the requirements otherwise listed in Sections 17.12.020, 17.12.030, 17.12.040, 17.12.050, 17.12.060, 17.12.070, 17.12.080, 17.12.090 and 17.12.100 of the Dunsmuir Municipal Code.

ADA Access

Along with the lack of off-street parking, the Council discussed the lack of ADA access to the second and third floors of 5815 Dunsmuir Avenue. This subject also received considerable discussion at the August 12th Planning Commission meeting. As explained to staff by the project engineer, and as discussed at the Planning Commission meeting, the elevator shaft is not large enough to accommodate an ADA-accessible elevator. This is why the ADA-accessible units are proposed on the ground floor. More importantly, enlargement of the elevator shaft requires significant engineering and modifications to the existing building, which was constructed in phases between 1917 and 1925 prior to the Americans with Disabilities Act. In other words, enlargement of the elevator shaft and development of an ADA-accessible elevator is sufficiently cost prohibitive that were the City to mandate it, renovation and reutilization of the building, as currently proposed, would not occur, and the building would likely remain vacant until such time as the required improvement could be off-set by the cost of housing in the City.

Transformer

While the location of the proposed transformer on the Pine Street median also received attention at the August 27th City Council meeting, the issue was addressed in the Planning Commission staff report included with the City Council memo. As discussed in the Planning Commission staff report, the transformer would serve more than one property and does not require Planning Commission or City Council approval prior to installation. However, Pacific Power & Light (PP&L) was interested in ensuring that the City consented to its placement. For this reason, and looking to minimize impacts on the public space, staff worked with the Planning Commission's Historic District delegates, the project engineer, and PP&L to relocate the proposed transformer from the middle of the median adjacent to the fountain, where it had initially been proposed, to the far edge of the median adjacent to Shasta Avenue. The transformer would still need to be setback somewhat from the Shasta Avenue/Pine Street intersection to ensure adequate sight distance and pedestrian safety, however, no other alternative locations, such as across Shasta Avenue, were considered viable.

SUGGESTED MOTION:

None required. This item is informational only.

NOTICE OF PUBLIC HEARING FOR DISCUSSION OF POSSIBLE STATE COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION(S)

NOTICE IS HEREBY GIVEN that the **City of Dunsmuir** will conduct a **virtual public meeting** on 8/27/20 (and continued to 9/3/20) at 6:00 pm, via Zoom in order to discuss eligible activities for funding under the California Department of Housing and Community Development, Community Development Block Grant Program.

The purpose of this public hearing is to give the public an opportunity to make their comments known regarding what types of eligible activities the City should apply for under the State administered Community Development Block Grant (CDBG) including the existing CDBG Program Income (CDBG-PI); the 2019-2020 CDBG Notice of Funding Availability (2020 NOFA) published on January 21, 2020; and the CDBG - Coronavirus Relief Round 1 (CDBG-CV1) Program. The public will be able to provide comment on each source of funding.

The City of Dunsmuir has approximately \$65,000 in Program Income (PI) from revenue generated by previous CDBG programs. This funding source can be applied to new activities that are solely funded by existing CDBG-PI, or they may be used to supplement existing and/or new activities that are funded by a CDBG grant. CDBG-PI must be spent before the City may receive additional 2020 NOFA grant funds.

The Community Development and Economic Development allocations of the State CDBG program will be published in a combined "Notice of Funding Availability" (NOFA) each program year. Eligible cities and counties may submit Community Development and Housing applications for CDBG funds under the 2020 NOFA for a maximum application request of \$3,500,000, and up to \$6 million in Economic Development Activities (with a cap of \$500,000 for Microenterprise Assistance and \$750,000 for Business Assistance). It is estimated that the funding of the State 2020 NOFA allocation is approximately \$60,000,000. The 2020 NOFA application for Economic Development is due September 15, 2020.

Funding for the State administered CDBG-CV1 program was published in an additional NOFA on June 5, 2020. Eligible cities and counties may submit applications for funding according to the NOFA to respond to impacts from the COVID-19 pandemic. The City of Dunsmuir can apply for an amount not to exceed \$60,224.00 for this program. The CDBG-CV1 application is due on August 31, 2020. CDBG-CV1 funds must be expended within a 12-month period from the start of the activity.

Eligible activities under the CDBG program include homeownership assistance and housing rehabilitation programs; public facility and public improvements projects (including public improvements in support of new housing construction); public service programs, planning studies, economic development business assistance and microenterprise activities.

Eligible activities under the CDBG program must meet one of the three national objectives listed in federal statutes: benefit to low –moderate income households or persons; elimination of slums and blight; or meeting urgent community development need (with prior department approval).

Additional information regarding the CDBG program can be found on the California Department of Housing and Community Development, Community Development Block Grant Program website: <https://hcd.ca.gov/grants-funding/active-funding/cdbg.shtml>

The **City of Dunsmuir** anticipates submitting applications for the CDBG-PI, 2020 NOFA, and CDBG-CV1.

If you require special accommodations to participate in the public hearing, please contact Dunsmuir City Hall. If you are unable to attend the public hearing, you may direct written comments to the **City of Dunsmuir**, at 5915 Dunsmuir Ave, Dunsmuir, CA 96025, or you may telephone 530-235-4822. In addition, information is available for review at the above address between the hours of 9:00AM to 4:30PM Monday through Friday.

The City of Dunsmuir promotes fair housing and makes all its programs available to low- and moderate-income families regardless of age, race, color, religion, sex, national origin, sexual orientation, marital status or handicap.



STAFF REPORT	
RE: Community Development Block Grant Funds-Microenterprise and Grants	MEETING DATE: 9/03/2020
SUBMITTED BY: Todd Juhasz, City Manager	
PURPOSE OF REPORT: <input type="checkbox"/> Information only <input checked="" type="checkbox"/> Discussion <input checked="" type="checkbox"/> Action Item	

WHAT IS BEING ASKED OF THE CITY COUNCIL:

Allow City to move away from EDBG based business loans to a combination of microenterprise loans and grants for small businesses and apply for 2019/2020 CDBG Grant.

BACKGROUND/DISCUSSION:

The California Department of Housing and Community Development (Department) receives funding from the United States Department of Housing and Urban Development (HUD) for the Community Development Block Grant (CDBG) Program and allocates funds to CDBG eligible non-entitlement jurisdictions.

In the past, the City has used these funds for the disbursement of EDBG funds for traditional small business loans up to a maximum of \$750,000. It's staff's observation that moving towards a combination of microenterprise low interest loans and grants of up to \$20,000 offers more flexibility, quicker approval times, and less 'red tape' for approval. This move will allow the City to approve loan and grant requests more quickly and in a more targeted fashion for businesses ailing from the impacts of Covid 19 or for individuals willing to start a business in the City of Dunsmuir during tough economic times. The attached summary outlines the differences between traditional EDBG based business assistance loans and microenterprise loans/small grants.

OPTIONS: Approve moving the City's EDBG loan program from a more traditional business loan based program to a combination of micro-enterprise loan and grant based program. And approve resolution 2020-18 to apply for a 2019/2020 CDBG grant.

FISCAL IMPACT:

None Yes Budgeted Item? Yes No

Budget Adjustment Needed? Yes No If yes, amount of appropriation increase:

Affected fund(s): General Fund Water OM Fund Sewer OM Fund Other: Fund 82

SUGGESTED MOTIONS: Motion to move the City of Dunsmuir's EDBG loan program from traditional business loans to a combination of micro-enterprise and small grant-based program and approve resolution 2020-18 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNSMUIR TO APPLY FOR THE 2019-2020 COMMUNITY DEVELOPMENT BLOCK GRANT, NOFA DATED JANUARY 21, 2020

Attachments: Sheet delineating the differences between EDBG Small Business Assistance Loans and Microenterprise requirements

Resolution 2020-18 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNSMUIR TO APPLY FOR THE 2019-2020 COMMUNITY DEVELOPMENT BLOCK GRANT, NOFA DATED JANUARY 21, 2020

Microenterprise Assistance:

- \$500,000 Program Cap
- 5 or fewer FTE (including owner)
- National Objective: Low Mod Income (LMI) Clientele-Microenterprise (**LMCMC**)
- Owner/employees must be Low-Moderate Income
- Includes technical assistance/training component
- Not subject to Public Benefit tests, however, Microenterprises that do not meet the LMI standard can use Job creation/Retention
- Grants can range from \$500-\$20,000 and will not require a performance period. However, they will similarly reimburse eligible expenses and not come in the form of a lump-sum advance.
- LMI employees/owner will NOT require that their household is also LMI. (What this means, is that if the individual's income is less than 80% the mean area income for a single person household, then they will qualify. Before, CDBG would require Part 5 income verification, meaning that the employee's household must also meet the LMI criteria adjusted for family size per Section 8 standards. Call me if this is confusing, but this makes it substantially easier)

Traditional EDBG Small Business Loans

- \$750,000 Program Cap
- For-profit, less than 25 FTE
- National Objective: Low Mod Income (LMI) Job creation/Retention (**LMJ**)
- Jobs created must be primarily held (>51%) by Low-Moderate Income individuals that can be reasonably turned around in a year without significant training/education
- Public Benefit Test: Must be 1 FTE job created/retained for every \$85K. This will be tracked exhaustively.
- Payroll information for LMI income verification is sufficient (no need to income qualify entire household)
- Retention documentation must demonstrate job would be lost without CDBG assistance
- Loans can be up to \$100K; may be forgivable up to 100% (based upon underwriting)
- Funds are generally reimbursed to eligible expenses. However, advances may be allowed for up to 30 days of working capital
- Each business enters a 'performance period' upon award of a loan, which must document employment/payroll information through its entirety that demonstrates the creation/retention of an LMI job

Shared features between the programs:

- Underwriting will have to occur either way (per 24 CFR Part 570.209 for Entitlements, and for States 24 CFR Parts 570.482(e))
- To benefit from HUD's waivers, there MUST be a direct tie between the use of funds and addressing impacts from COVID-19 (for use under CV allocation)
- Beneficiaries must have:
 - Dunn and Bradstreet (DUNS) Number
 - Debarment check (no liens, bankruptcies, lawsuits)
 - A NEPA review (this would be a 58.5 Categorical Exclusion (Cat-Ex) Not Subject to, meaning, a 1-page writeup that says this is capital assistance and won't impact the environment. General façade improvements won't trigger a more exhaustive review, but if a business plans to make larger more permanent capital improvements, it may.
 - Labor compliance (Davis-Bacon) for façade/capital improvements over \$2,500

Key Differences:

- Microenterprises will be substantially easier to monitor/report and allows the provision of technical assistance and training to be paired with financial assistance
- Business Assistance offers a higher maximum loan amount at the cost of more extensive reporting (though won't apply in Dunsmuir's case as our allocation does not meet the maximum loan threshold of \$750,000)
- Business Assistance will require more exhaustive underwriting/credit checks and carry greater collateral standards
- Business Assistance \$\$ are linked to creation and retention of low-income jobs

Dunsmuir's Market and Local Factors (excluding government orgs, churches, healthcare and 'sin' businesses)

74 businesses total, 67 less than 20 employees

45 businesses less than 4 employees. Hotels, auto repair, restaurants are the top 3 NAICS codes for those businesses.

RESOLUTION NO. 2020-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNSMUIR TO APPLY FOR THE 2019-2020 COMMUNITY DEVELOPMENT BLOCK GRANT, NOFA DATED JANUARY 21, 2020

WHEREAS, the California Department of Housing and Community Development Department has announced the availability Community Development Block Grant (hereinafter, "CDBG"), funding in the 2019-2020 Notice of Funding Availability (hereinafter, "NOFA") prioritizing benefits to low-moderate income households; and

WHEREAS, under the provision of said CDBG NOFA, applications may be submitted by a singular eligible entity in partnership with a subrecipient to manage the program delivery; and

WHEREAS, it is the desire of the Dunsmuir City Council (the "City") to apply for 2019-2020 CDBG funds for an Economic Development Program, with Siskiyou County Economic Development Council (hereinafter, "SCEDC") as a subrecipient, that would create and retain low-moderate income jobs; and

WHEREAS, a public hearing notice was duly processed in considering authorizing the submittal of this CDBG 19-20 application, and the proposed Economic Development activity which meets the federal Citizen Participation requirements.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Dunsmuir as follows:

SECTION 1:

The City has reviewed and hereby approves the submission to the State of California of one or more application(s) not to exceed \$500,000, for CDBG Economic Development activities, pursuant to the January 21, 2019-2020 CDBG NOFA:

List activities and amounts

Economic Development not to exceed	\$500,000
• Microenterprise Assistance	
• Business Assistance	

SECTION 2:

The City will not commit Program Income (PI) for the CDBG activities described in Section 1.

SECTION 3:

The City acknowledges compliance with all state and federal public participation requirements in the development of its application(s).

SECTION 4:

The City hereby authorizes and directs the City Manager, to execute and deliver all applications and act on the City's behalf in all matters pertaining to all such applications.

SECTION 5:

If an application is approved, the City Manager, is authorized to enter into, execute and deliver the grant agreement (*i.e.*, Standard Agreement) and any and all subsequent amendments thereto with the State of California for the purposes of the grant.

SECTION 6:

The City desires to participate in a partnership application via a subrecipient agreement with SCEDC under the following conditions:

(1) The selected agency, The City of Dunsmuir, will submit the grant on behalf of the partnership and will be the grant recipient responsible to administer the CDBG 19-20 Grant, be accountable to California Department of Housing and Community Development for proper expenditure of the funds, and will be the point of contact for the other partners.

(2) Should the City receive the requested CDBG Grant, the City’s participation in the grant is contingent on that prior to the expenditure of any funds, a Subrecipient Agreement and Program Guidelines will be submitted to the City Council and California Department of Housing and Community Development for review and approval.

(3) The Subrecipient Agreement and Program Guidelines will document the activity delivery process, will identify and establish relationships necessary to achieve the project’s goal; and will include a description and role of each partner.

(4) The City’s role will be part of an advisory committee that reviews the goals, determines economic development activities and fund use priorities, and oversees CDBG Grant progress.

SECTION 7:

If an application is approved, the City Manager, is authorized to sign and submit Funds Requests and all required reporting forms and other documentation as may be required by the State of California from time to time in connection with the grant.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Dunsmuir held on the Third day of September 2020, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Juliana Lucchesi, Mayor, City of Dunsmuir

STATE OF CALIFORNIA
City of Dunsmuir

I, Wendy Perkins, Deputy City Clerk of the City of Dunsmuir, State of California, hereby certify the above and foregoing to be a full, true and correct copy of a resolution adopted by said City Council of the City of Dunsmuir on this Third day of September, 2020.

Wendy Perkins, Deputy City Clerk of City of Dunsmuir
State of California

RESOLUTION NO. 2020-15

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNSMUIR
ENCOURAGING THE USE OF FACE COVERINGS IN INDOOR AND ENCLOSED
PUBLIC SPACES**

WHEREAS, the City Council of the City of Dunsmuir has the authority to endorse reasonable measures to protect the health, safety and welfare of its citizens; and

WHEREAS, Government Code 8643 provides that in a state of emergency, the City Council is to perform functions necessary to preserve and furnish local services; and

WHEREAS, Government Code 8558 defines a local emergency as including conditions of extreme peril to the safety of persons and property within the City which are likely to be beyond the control of the services, personnel, equipment, and facilities of the City and require the combined forces of other government entities to combat; and

WHEREAS, the Dunsmuir City Council does hereby find that conditions which may severely impair the safety of persons or property, have arisen within the City, caused by COVID-19 and its rapid transmission, as reported by various local, state and national health organizations; and

WHEREAS, on March 19, 2020, the Governor of the State of California (“Governor”) issued Executive Order N-33-20, which provides that individuals living in the State of California are required to adhere to certain orders based on transmission rates as a percentage of county population; and

WHEREAS, the novel Coronavirus is highly contagious and poses a threat to the wellbeing of every person; and

WHEREAS, in order to slow the spread of COVID-19, the U.S. Center for Disease Control (CDC) recommends that face coverings be worn in all circumstances when distancing of at least six feet is not possible; and

WHEREAS, the CDC’s recommendation regarding face coverings is based on data showing that the use of face coverings decreases the likelihood of COVID-19 being spread; and

WHEREAS, the City has an important governmental interest in protecting the health, safety, and welfare of its citizens and businesses; and

WHEREAS, in order to protect the health and safety of the City and in order to follow the sound guidance and recommendations of the CDC, the City strongly encourages that face coverings be worn indoors and in enclosed spaces in order to curtail the spread of COVID- 19; and

WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the City Council of the City of Dunsmuir finds it necessary to issue this Resolution to protect life, health and safety of its citizens and the community at large.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Dunsmuir does hereby urge that:

SECTION 1. Face Coverings.

1. Each person is strongly encouraged to wear a mask or cloth face covering which covers both the mouth and nose ("Face Covering") at all times when in an any indoor or enclosed space open to members of the public, including, but not limited to, any government building, police station or fire station; a business open to the public of any kind including, but not limited to, grocery stores, supermarkets, laundromats, hardware stores, commercial buildings, restaurants, churches or other religious buildings.

2. In residential buildings consisting of at least two dwelling units ("Residential Buildings"), any person entering without limitation, any lobby, hallway, elevator, stairwell, laundry room, garage or any other enclosed areas which are accessible to more than one dwelling, unit should wear a Face Covering while in those areas.

3. This Resolution shall not apply to anyone who has trouble breathing or is unconscious, incapacitated, or otherwise unable to remove the Face Covering without assistance, anyone with a disability or medical condition for whom wearing a Face Covering is not recommended by their healthcare professional, and/or any other person exempted by any federal, state or local law or regulation.

SECTION 2. Effective Date. This Resolution shall take effect immediately upon adoption by the City Council of the City of Dunsmuir and shall remain in effect until repealed by the City Council.

Ayes:
Noes:
Absent:
Abstain:

Juliana Lucchesi, Mayor

Attest:

Wendy Perkins, Deputy City Clerk

Date



STAFF REPORT	
RE: Children’s Park Discussion	MEETING DATE: 9/3/2020
SUBMITTED BY: Todd Juhasz, City Manager	
PURPOSE OF REPORT: <input checked="" type="checkbox"/> Information only <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Action Item	

WHAT IS BEING ASKED OF THE CITY COUNCIL:

Discuss plans to use Prop 68 funding for replacement of playground equipment at Children’s Park with ADA accessible equipment as well as the pros and cons of moving the Children’s Park south by a few feet or purchase property from current landlord.

BACKGROUND/DISCUSSION:

The City has been paying rent on the Children’s Park for years at \$800 a month. It turns out that the City owns a portion of the land we have been renting. Using Prop 68 funds (\$177,000) we can either demo a portion of City owned property and move the playground 50’ to the south or seek to purchase property from the landlord. An appraisal of the landlord’s property has been initiated. To qualify for purchase using Prop 68 funds, the City cannot pay over market rate. Early discussions indicate that landlord will seek purchase price above expected appraised value.

Despite underlying purchase or site prep decision, after meeting with playground representative, It’s very likely that we will be able to replace the existing playground equipment with new ADA accessible equipment using Prop 68 funds.

OPTIONS:

1. Demo City owned property and move playground south using Prop 68 funds
2. Attempt to purchase a portion of the existing park property at market rate using Prop 68 funds

FISCAL IMPACT:

None Yes Budgeted Item? Yes No

Budget Adjustment Needed? Yes No If yes, amount of appropriation increase:

Affected fund(s): General Fund Water OM Fund Sewer OM Fund Other: Airport

Comments:

SUGGESTED MOTIONS:

Attachments: Recent survey of Children’s Park

