TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: PLANNING AND COMMUNITY ENVIRONMENT

DATE: JANUARY 22, 2002

CMR:116:02

SUBJECT: APPROVAL OF AN AGREEMENT IN THE AMOUNT OF $65,000 WITH COMMUNITY HOUSING, INC. FOR FUNDS ALLOCATED DURING FISCAL YEAR 2000/01 UNDER THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

RECOMMENDATION

Staff recommends that the City Council approve and authorize the City Manager or his designee to execute the attached agreement in the amount of $65,000 with Community Housing, Inc. (CHI) for the upgrading, modernization and repairs of an elevator at the Lytton Gardens I facility at 656 Lytton Avenue in Palo Alto.

BACKGROUND

Community Housing, Inc. owns and operates the Lytton Gardens I residential facility that provides 218 units of affordable rental housing for Palo Alto’s elderly population. CHI applied for fiscal year 2000/01 CDBG funding to assist in the upgrade, modernization and repairs of the three elevators in the Lytton Gardens I facility that serve approximately 270 low-income seniors and persons with disabilities. On May 8, 2000, the Palo Alto City Council approved allocating $65,000 in fiscal year 2000/01 CDBG funds toward the elevator repair project.
DISCUSSION

The 27-year-old elevators in the building are in need of comprehensive modernization to bring them into ADA compliance and to correct the deficiencies that lead to frequent service outages. Service outages are extremely difficult on the senior residents who must depend on the elevators to move about the three-story residential complex. When completed, the elevator repairs will provide the frail, elderly residents and their visitors with improved elevator safety, convenience, comfort and accessibility.

RESOURCE IMPACT

The $65,000 cost of the agreement will be funded with federal CDBG funds provided through the U.S. Department of Housing and Urban Development (HUD). Repayment of the loan will not be required unless the property is sold or the program terminated or changed to a use prior to July 1, 2007 that has not been approved by the City.

POLICY IMPLICATIONS

The recommendation in this staff report does not represent any change to City policies.

ENVIRONMENTAL REVIEW

HUD environmental regulations for the CDBG program are contained in 24 CFR 58 “Environmental Review Procedures for Title I Community Development Block Grant Programs.” The Lytton elevator project meets the conditions specified for exemption under 24 CFR Part 58.34. Because the facility is located in a FEMA-identified Special Flood Hazard Zone, the National Environmental Policy Act (NEPA) regulations require that flood insurance be obtained and maintained for the economic life of the elevator project in the amount of the project cost. CHI will be required to submit evidence of flood insurance in accordance with this regulation.

ATTACHMENTS

A. Agreement Between the City of Palo Alto and Community Housing, Inc. for Rehabilitation of an Elevator at the Lytton Gardens I Senior Residential Facility at 656 Lytton Avenue in Palo Alto.
PREPARED BY:  
__________________________  
SUZANNE BAYLEY  
CDBG Coordinator  

DEPARTMENT HEAD REVIEW:  
__________________________  
LES WHITE  
Interim Director of Planning and Community Environment  

CITY MANAGER APPROVAL:  
__________________________  
EMILY HARRISON  
Assistant City Manager  

cc: Community Housing, Inc.