



**SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2023**

CORRECTIVE ACTION PLAN

FINANCIAL STATEMENT FINDINGS - CURRENT YEAR

There were no current year financial statement findings.

FEDERAL AWARD FINDINGS - CURRENT YEAR

Finding Reference Number: SA2023-01
Assistance Listing Number: 14.218
Assistance Listing Title: Community Development Block Grant – Entitlement Grants (CDBG)
Name of Federal Agency: U.S. Department of Housing and Urban Development (HUD)
Fiscal Year of Initial Finding: 2023
Name of the contact person: Adam Marcus, Housing & Community Services Division Manager

Corrective Action Plan:

The City has taken the appropriate actions to correct the issues related to the finding. In the City's 2024-25 HUD Annual Action Plan, the City proposes the following activities to meet the HUD Timeliness Test at the beginning of May 2025:

- Continue to maximize spending on public service projects in Fiscal Year 2024-2025 (approximately \$150,000)
- Increase the allocation for the Neighborhood Conservation and Improvement Program (NCIP) major single family home repair program from \$352,000 to \$500,000. With pandemic fears subsiding, residents are now open to having workers in their home. The NCIP now has a waitlist of residents wanting work completed on their home. NCIP major repair loans have historically been an efficient way to spend CDBG capital dollars.
- Increase the allocation for the NCIP minor single family home repair program from \$100,000 to \$150,000 due to the program's rising demand.
- Allocate \$600,000 for the construction of ADA curb ramps in partnership with the Department of Public Works.

In addition to the above actions, staff will continue to push forward the following four capital projects that are already in progress with the goal of distributing at least \$1 million by the beginning of May 2025:

- Liberty Tower two elevator upgrades (funded for \$850,000)
- Bill Wilson Center elevator upgrade (funded for \$266,000)

- Silicon Valley Independent Living Center – affordable housing rehabilitation (funded for \$56,000)
- Riverwood Grove Affordable Housing – electrical panel upgrades (funded for \$350,000)

The above actions are intended to bring the City into compliance with expenditures through April 30, 2025 just before the next HUD Timeliness Test at the beginning of May 2025.

Anticipated Completion Date: March 31, 2025