

Eligibility of a Sidewalk Grinding Program

January 20, 1988

MEMORANDUM FOR: William Y. Nishimura, Acting Regional Administrator - Regional Housing Commissioner San Francisco Regional Office, 9S

FROM: Jack R. Stokvis, General Deputy Assistant Secretary for Community Planning and Development, CD

SUBJECT: Eligibility Determination on a Sidewalk Grinding Program Proposed for Funding under the City of Fullerton, California's CDBG Program

This responds to your request for a determination on whether the City of Fullerton's sidewalk grinding program is eligible under 570.201(c) as a public facility or ineligible under 570.207(b)(2)(i) as a maintenance and repair activity.

The Statute governing the CDBG program specifically limits the types of activities involving public facilities and improvements to acquisition, construction, reconstruction or installation. This statutory limitation provides the basis for designating activities for the maintenance or repair of public facilities as ineligible under Section 570.207.

The Department uses OMB Circular A-87, Attachment B, as its source in defining maintenance and repair. This circular characterizes the maintenance and repair of property as that "which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition."

Conversely, if the repair of a public facility adds to its useful life beyond the original estimate then it would be considered a capital improvement, and as such, would not meet the above A-87 definition for maintenance and repair of property. Thus, we would consider an activity involving capital improvement of public facility as eligible under 570.201(c).

Based on the City's description of its sidewalk grinding program, we have determined that the proposed activity would prolong the useful life of the City's sidewalks, and therefore, would be considered a capital improvement and eligible under 570.201(c) as reconstruction of a public facility.