

**City of Culver City, California
Agenda Item Report**

Meeting Date: 1/04/2010		Item Number: <u>PH-1</u>	
CITY COUNCIL AGENDA ITEM: PUBLIC HEARING – (1) Allocation of 2010-11 Community Development Block Grant (CDBG) Funds; (2) Adoption of Resolution Authorizing the Filing of the Fiscal Year (FY) 2010-11 Application for Funding from the CDBG Program; and (3) Approval of a CDBG Reimbursable Contract with the County of Los Angeles Concerning Culver City’s FY 2010-11 CDBG Allocation.			
Contact Person/Dept.: Kriss Casanova, CDD		Phone Number: 310.253.5769	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☒		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☒ No ☐ Date: 12/16/2009 CDBG Advisory Committee			
Public Notification: Published in the Culver City News (12/17/09, 12/24/09 and 12/31/09); (E-Mail) Meetings and Agendas – City Council (12/30/09).			
Department Approval: Sol Blumenfeld (12/23/09)		City Attorney Approval: Carol Schwab (by H. Baker) (12/28/09)	
Chief Financial Officer Approval: Mark Scott (by M. Noller) (12/28/09)		City Manager Approval: Mark Scott (12/30/09)	
<u>RECOMMENDATION:</u> Staff recommends that the City Council (1) approve the Community Development Block Grant (CDBG) Advisory Committee’s recommendations for the allocation of CDBG funds for fiscal year (“FY”) 2010-11; (2) adopt a resolution authorizing the filing of the FY 2010-11 application for funding from the CDBG program; and (3) approve a CDBG Reimbursable Contract with the County of Los Angeles (County) concerning Culver City’s FY 2010-11 CDBG Allocation. <u>PROCEDURE:</u> 1. Mayor seeks motion from the City Council to receive and file the affidavits of publication and posting of notices and correspondence received in response to the public hearing notices; and, 2. Mayor calls for a staff report and the City Council Members may pose questions to staff as desired; and, 3. Mayor seeks a motion to open the public hearing; and, 4. Mayor seeks motion to close the public hearing after all public testimony has been presented; and, 5. The City Council discusses the item and arrives at its decision.			

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BACKGROUND:

The 1974 Housing Act authorized the allocation of block grants to eligible applicant municipalities nationwide to be used in certain broad categories of activities in the areas of housing and community development. Culver City has participated in the CDBG program as a member of the Los Angeles Urban County Entitlement and to date has completed thirty-five (35) application cycles of Block Grant funds. During that time, the City has received an aggregate allocation in excess of \$11 million. These funds have been used to construct the Senior Center, improve the City's streetscape and infrastructure and modify City facilities to comply with the Americans with Disabilities Act (ADA) mandates. CDBG funds have also been applied to the administration of the CDBG program and to positions providing programs and services for people with disabilities. The program is administered by the Los Angeles County Community Development Commission.

To comply with CDBG citizen participation requirements, the City Council formed the Community Development Block Grant Advisory Committee (CDBGAC). The CDBGAC meets annually to evaluate the projects and activities proposed to be funded; hear public comment; and then prioritize and make a recommendation to the City Council as to which projects and activities to fund. The CDBGAC orientation meeting was held on December 2, 2009. The CDBGAC held a community meeting on December 16, 2009, during which the CDBGAC received public comment before issuing their project priority and funding recommendations for FY 2010-11.

DISCUSSION:

The anticipated funding is approximately \$301,933 for FY 2010-11 with about \$12,000 carried over from FY 08-09 (which totals and estimated CDBG funding of \$313,933 available for FY 2010-11). The actual allocation will be finalized by the County in late March, after the submission of the City's CDBG application. Of the total allocation for FY 2010-11, \$172,736 is obligated for the repayment of a Section 108 Loan, which was used to partially fund construction of the City's Senior Center. Approximately \$129,197 remains available to fund other CDBG projects.

Attached is information that describes program regulations and eligibility criteria, as well as project descriptions for FY 2010-11 submitted by various City departments to the CDBGAC. Per CDBG regulations, funding for public service projects is capped at 15% of the City's FY 2010-11 total allocations, and funding for general administration of the CDBG program is capped at 10%. As in prior years, proposed CDBG projects must have a minimum budget of \$10,000 to be considered. If the total funding amount is less than the anticipated level, adjustments will be made accordingly to capital, administration, and public service project allocations.

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PROPOSED PROJECTS FOR 2010-11

The following recommendations were made by CDBGAC for the allocation of FY 2010-11 CDBG funding. The first three priorities are for City Council and public service projects and the remaining funds are assigned to capital projects.

- Priority 1: Senior Center Section 108 Loan Repayment (\$172,736): A Section 108 loan in the amount of \$2,020,000 was used to partially fund construction of the City's Senior Center. The amount allotted for repayment of the loan in FY 2010-11 is \$172,736. The payment is taken directly from the City's allocation of CDBG funding. The obligation to repay this loan will conclude with a final payment being made in August 2014.
- Priority 2: CDBG General Administration Authority (\$30,193): This project is to reimburse the City for staff time used to administer the CDBG program. CDBG guidelines allow the City to apply up to 10% of the entitlement funds for administration, which includes administrative, accounting and public participation costs. CDBGAC recommends that \$30,193, the full amount allowable under CDBG regulations, be used to reimburse of the City for all eligible costs associated with the administration of the City's CDBG program.
- Priority 3: Disability Services Specialist (\$45,290): The funding for this project is a priority of the Parks, Recreation and Community Services Department and the Disability Advisory Committee. This position has been funded in part with CDBG funds for the past 25 years. The Disability Services Specialist assists in the identification of available community services, and implements, conducts and facilitates services and programs for City residents with disabilities. CDBGAC recommends allocating \$45,290, the full amount allowable under CDBG regulations. The General Fund has historically funded the difference (estimated at \$45,765 for FY 2010-11).

PROPOSED CAPITAL PROJECTS

- Priority 4: Gateway Median Improvement Project (\$43,600): This project will provide landscape design services to landscape the four medians at the eastern edge of the Phase I Area Improvement Plan (AIP) area along west Washington Boulevard. This area was not included in the original Redevelopment Agency project approval. CDBG funds will be used to hire a landscape architect to design and prepare conceptual and construction documents at a cost of approximately \$43,600. The new median planting will provide needed visual enhancement and help revitalize the area. Construction of the AIP project is part of the current Redevelopment Agency budget and proposed for the Redevelopment Agency FY 10/11 or 11/12 work program. Upon further discussion by the CDBGAC, they moved to submit a request to the City Council encouraging them to fund construction of the

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gateway medians in a timely manner so that construction may commence immediately following completion of Phase I Improvements.

In the event that the LA County CDC determines this project is ineligible for funding, the CDBGAC created a list of alternative capital projects described below that can be substituted.

- Priority 5: Purchase and Installation of an ADA approved lift for the Municipal Plunge (\$11,500): Swimming pools are required to have a transfer lift for the purpose of assisting those with mobility-related disabilities to gain access to the pool. Recently, the aging transfer lift at the Municipal Plunge failed. Subsequently, it was determined that it was in need of replacement.
- Priority 6: Countdown Pedestrian Signals (remaining balance of \$10,560): CDBGAC recommended that the balance of remaining CDBG funds be allocated to the installation of countdown pedestrian signals. This project was proposed from the Department of Public Works and consists of having City staff install countdown pedestrian signals at various intersections according to safety needs. These traffic control devices yield more relevant and real time information to pedestrians crossing any given signalized roadway.

A regular 4-way intersection would require 8 countdown pedestrian signals at a cost of approximately \$250 per signal.

Per CDBGAC's recommendation, staff will check with surrounding cities to see if any of them already have a similar contract in place that went through a public bidding process for this equipment. If there is, staff may recommend that the City Council authorize the City to participate in their unit bid price contract for purchase of the countdown units.

PROPOSED ALTERNATE LIST OF CAPITAL PROJECTS

Listed below, and ranked in priority assigned by CDBGAC, is an alternative list of projects recommended to the City Council to allocate funding if the Gateway Median Improvement Project is deemed ineligible.

- ALT Priority 4: The purchase and installation of an ADA compliant lift for the Municipal Plunge (listed as Priority 5 above).
- ALT Priority 5: The purchase and installation of three ADA compliant, electric automatic doors for the Municipal Plunge. This project would replace three sets of doors including the main facility entrance as well as the entrances to the men's and women's changing rooms at a cost of \$25,000. This facility receives a large amount of usage by the community for recreational purposes. Many swimming pool users are senior citizens and people with

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disabilities who use the Municipal Plunge to meet their therapeutic fitness needs.

- ALT Priority 6: The remaining balance of grant funds shall go towards the purchase and installation of countdown pedestrian signals.

FISCAL ANALYSIS:

Approval of CDBGAC's recommendations will result in an impact to the City's General Fund. The position of Disability Services Specialist can only be funded through CDBG at a maximum of \$45,290, leaving an estimated additional \$45,765 that CDBGAC requests be funded from the General Fund, consistent with the City's long standing past practice. These two amounts include both salary and benefits. Funding would be appropriated through the upcoming FY 10-11 budget process. With CDBGAC's recommendation to fund the AIP median design, staff estimates an additional funding of \$200,000 from the Redevelopment Agency would be needed to complete construction of the median improvements.

SUMMARY OF 2010-11 CDBGAC FUNDING RECOMMENDATIONS

<u>Priority</u>	<u>Project Title</u>	<u>Recommended Funding</u>
Priority 1	Senior Center 108 Loan Repayment	\$172,736
Priority 2	CDBG General Administration	\$ 30,193
Priority 3	Disability Services Specialist	\$ 45,290
Priority 4	Gateway Median Improvement Project	\$ 43,600
Priority 5	ADA approved lift for the Municipal Plunge	\$ 11,500
Priority 6	Countdown Pedestrian Signals	Remaining Balance

TOTAL CDBGAC RECOMMENDATIONS: \$313,516

ESTIMATED AVAILABLE FUNDING: \$313,879

(Est. Allocation + Unprogrammed Funds from FY 2008-09)

ATTACHMENTS:

1. Proposed Resolution authorizing the filing of the City's 2010-11 CDBG application;
2. DRAFT Minutes of the CDBG Advisory Committee Public Hearing conducted on December 16, 2009;

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3. Committee funding recommendations for FY 2010-11;
4. Information provided to CDBGAC; and,
5. List of Prioritized Intersections to Install Countdown Signals.

MOTION:

That the City Council:

1. Approve the FY 2010-11 CDBG projects, and,
2. Adopt a resolution authorizing the filing of the FY 2010-11 application for funding from the Community Development Block Grant Program, including all certifications; and,
3. Designate the City Manager as the authorized City official to execute and file all documents pertaining to the CDBG program, including making minor adjustments to project funding to address the actual 2010-11 CDBG Allocation; and,
4. Approve the CDBG Reimbursable Contract with the County of Los Angeles concerning Culver City's FY 2010-101 CDBG Allocation; and,
5. Authorize the City Attorney to review/prepare the necessary documents; and,
6. Authorize the City Manager to execute such documents on behalf of the City.