

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

Meeting Date: 01/27/2014		Item Number: <u>PH-1</u>	
CITY COUNCIL AGENDA ITEM: PUBLIC HEARING - (1) Consideration of the Community Development Block Grant Fund Allocation for Fiscal Year 2014/2015; (2) Adoption of a Resolution Authorizing the Filing of the Application for Funding; and (3) Approval of a Reimbursable Contract with the County of Los Angeles Concerning Culver City's Allocation.			
Contact Person/Dept.: Glenn Heald Todd Tipton/Community Development		Phone Number: 310-253-5752 310-253-5783	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☒		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☒ No ☐ CDBG Advisory Committee		Date: 01/02/2014	
Public Notification: Posted at City Hall, Senior Center & Library (01/07/14); (E-Mail) Meetings and Agendas – City Council (01/21/14).			
Department Approval: Sol Blumenfeld (01/17/14)		City Attorney Approval: Carol Schwab (by H. Baker) (01/21/14)	
Chief Financial Officer Approval: Jeff Muir (01/21/14)		City Manager Approval: John M. Nachbar (01/21/14)	
<u>RECOMMENDATION:</u> Staff recommends the City Council conduct a public hearing and (1) allocate Community Development Block Grant (CDBG) funds for Fiscal Year (FY) 2014/2015 pursuant to the CDBG Advisory Committee's recommendations; (2) adopt a resolution authorizing the filing of the FY 2014/2015 application for funding from the CDBG program; and (3) approve a CDBG Reimbursable Contract with the County of Los Angeles concerning Culver City's FY 2014/2015 CDBG Allocation. <u>PROCEDURE (Noticed Public Hearing):</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; 2. Mayor calls for a staff report and the Council Members may pose questions to staff as desired; 3. Mayor seeks a motion to open the public hearing; 4. Mayor seeks motion to close the public hearing after all public testimony has been presented; 5. The City Council discusses the item and arrives at its decision.			

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BACKGROUND:

The 1974 Federal Housing Act authorized the allocation of block grants to eligible applicant municipalities nationwide to be used for activities that benefit low- and moderate-income persons, subject to program regulations and eligibility criteria. Culver City has participated in the CDBG program as a member of the Los Angeles Urban County Entitlement and, to date, has completed thirty-nine (39) application cycles. During this time, the City has received an aggregate allocation of about \$12 million.

These funds have been used to construct the Senior Center, to improve the City's streetscape and infrastructure, and to modify City facilities to comply with the mandates of the Americans with Disabilities Act (ADA). CDBG funds have also been applied toward the administration of the CDBG program and to positions providing programs and services for people with disabilities and the elderly. The program is administered by the Community Development Commission (CDC) of the County of Los Angeles (the County).

In 1988 the City Council formed the Community Development Block Grant Advisory Committee (CDBGAC), which meets annually to evaluate proposed projects and activities, to receive public comment, and to prioritize and make recommendations to the City Council regarding the proposed funding uses. The CDBGAC is comprised of representatives of the Disability Advisory Committee; the Parks, Recreation, and Community Services Commission; the Planning Commission; and Culver City Youth Groups. The CDBGAC met on January 2, 2014 to consider uses for available CDBG funding for FY 2014/2015.

DISCUSSION:

CDBG funding for FY 2014/2015 is anticipated to be \$189,939, a decrease of approximately \$3,000, or two percent (2%), from the FY 2013/2014 allocation. The actual amount of FY 2014/2015 funding will be determined by the County in March 2014 after receipt of the City's CDBG application. From the anticipated FY 2014/2015 funding the City is obligated to remit \$134,167 as repayment of the City's Section 108 Loan. The remaining amount of \$55,772 will be available for eligible projects, which may be public service projects or capital improvement projects¹.

The CDBGAC recommends the available CDBG funding for FY 2014/2015 be allocated in the order prioritized below. Note that the anticipated funding is sufficient to fund only Priorities No. 1, 2 and 3. The CDBGAC includes Priority No. 4 as a recommended project for funding allocation if sufficient surplus funding exists.

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If actual CDBG funding for FY 2014/2015 is less than the amount anticipated, staff will allocate the maximum allowable amount to the public service projects and adjust capital improvement project funding accordingly.

Ongoing Public Service Projects

Priority No. 1: Section 108 Loan Repayment (\$134,167)

Through the CDBG program, in 1999 the City received a Section 108 Loan in the amount of \$2,020,000 to partially fund construction of the City's Senior Center. Mandatory annual loan repayment amounts are determined by the amortization schedule. The City's Section 108 Loan will be repaid in full in August 2014. The CDBGAC recommends funding the FY 2014/2015 Section 108 Loan repayment in the amount required.

Priority No. 2: Disability Services Specialist Salary (\$28,491)

CDBG rules allow for up to fifteen percent (15%) of the total available CDBG funds to be allocated for funding salaries of eligible public service staff positions. The Disability Services Specialist (DSS) position in the Parks, Recreation and Community Services Department has been partially funded with CDBG funds for the past 29 years. The DSS assists residents with disabilities by identifying, implementing, conducting and facilitating available community services. Funding the DSS position to the maximum amount allowed by CDBG rules is supported and recommended by the CDBGAC, the Disability Advisory Committee, and the Parks, Recreation and Community Services Department.

Proposed Capital Improvement Projects

Priority No. 3: Slurry Seal Project (\$27,281)

This Public Works Department capital improvement project will provide a new slurry seal coat and localized repairs to the existing asphalt pavement in the east Culver City CDBG eligible area in order to extend the useful life of the pavementⁱⁱ.

Proposed Project Cost:

\$27,281 (CDBG funds)

\$23,459 (Gas Tax funds)

\$50,740 Total Project Cost (estimated)

Priority No. 4 (*if funding permits*): New Streetlights on West Side of Glencoe Avenue

This project will install four (4) streetlights on the west side of Glencoe Avenue between Washington Blvd and Zanja Street where there currently are no streetlights.

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Proposed Project Cost:
\$27,281 (CDBG funds)
\$ 8,719 (Gas Tax funds)
\$36,000 Total Project Cost (estimated)

FISCAL ANALYSIS:

The Section 108 Loan repayment is mandatory and must be paid in the amount requested. The remaining salary amount for the Disability Services Specialist position not covered by available CDBG funding would be funded from the General Fund and proposed for appropriation through the FY 2014/2015 budget process.

ATTACHMENTS:

1. Proposed Resolution.

MOTION:

That the City Council:

1. Allocate funding for the proposed FY 2014/2015 CDBG projects; and,
2. Adopt a resolution authorizing the filing of the FY 2014/2015 application for funding from the CDBG 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 FY 2014/2015 CDBG Allocation; and,
4. Approve the CDBG Reimbursable Contract with the County of Los Angeles concerning Culver City's FY 2014/2015 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.

ⁱ Project eligibility is restricted to specific uses and specific geographic areas of the city. Projects must have a budget of \$10,000 or more to be eligible for funding.

ⁱⁱ Streets and areas included in the proposed slurry project:

Caroline Ave (Washington Bl / Jacob St):	34,000 s.f.
Roberts Ave (Washington Bl / Jacob St):	34,000 s.f.
Helms Ave (Washington Bl / Jacob St):	5,000 s.f.
Sherbourne (Washington Bl / Jacob St):	5,000 s.f.
Hutchinson Ave (Washington Bl / northerly city limit):	5,000 s.f.
Melvil St (Washington Bl / northerly city limit):	3,000 s.f.