

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 1/12/09		Item Number: <u>PH-1</u>	
AGENDA ITEM: PUBLIC HEARING - (1) Allocation of 2009-10 Community Development Block Grant (CDBG) Funds; (2) Adoption of a Resolution Authorizing the Filing of the Fiscal Year 2009-10 Application for Funding from the CDBG Program; and (3) Approval of CDBG Reimbursable Contract with the County of Los Angeles Concerning Culver City's FY 2009-10 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: ☒	
Public Notification: Master E-Mail Notification List (12/22/08 and 01/07/09), Culver City Homeowners' Associations on 12/22/08, and CDBG Advisory Committee Members and Alternates. Legal Notice was published in the Culver City News on 12/18/08 and posted at various City locations.			
Department Approval: Sol Blumenfeld (01/05/09)		City Attorney Approval: Carol Schwab (by H. Baker) (01/06/08)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (01/06/09)		City Manager Approval: Jerry B. Fulwood (01/07/09)	
<u>RECOMMENDATION:</u> Staff recommends the City Council (1) approve the Community Development Block Grant (CDBG) Advisory Committee's recommendation for the allocation of CDBG funds for the fiscal year ("FY") 2009-10; (2) adopt a Resolution authorizing the filing of the 2009-10 application for funding from the CDBG program; and (3) approve CDBG Reimbursable Contract with the County of Los Angeles concerning Culver City's FY 2009-10 CDBG Allocation. <u>PROCEDURE:</u> 1. Mayor seeks a motion to receive and file the affidavit and notice of publication. 2. Mayor calls on staff for a brief report or asks Council members if they have questions of staff on this subject. 3. Mayor seeks a motion to open the Public Hearing and calls upon the public for comments. 4. Mayor seeks a motion to close the Public Hearing. 5. City Council discusses the matter and takes the appropriate actions concerning the recommendations or specifically approves changes. <u>BACKGROUND:</u>			

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The 1974 Housing Act authorized the granting of "blocks" of funds 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-four (34) application cycles of Block Grant funds. During that time, the City has received allocations 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.

To comply with CDBG citizen participation requirements, 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 to fund. The CDBGAC orientation meeting was held on December 3, 2008. The CDBGAC conducted a public hearing on December 17, 2008, during which the CDBGAC received public comment before issuing project priority and funding recommendations for FY 2009-10.

DISCUSSION:

The estimated funding amount is approximately \$303,516 for FY 2009-10. The actual allocation will be finalized by the County in late March after the submission of the City's CDBG application. Of the total estimated allocation for FY 2009-10, \$180,850 is obligated for the repayment of the Section 108 Loan, which was used to partially fund construction of the City's Senior Center. Approximately \$122,000 remains available to fund other CDBG projects. CDBGAC made their recommendations at the December 17th meeting as to how the remainder of the funds should be utilized.

Attached is information that describes program regulations and eligibility criteria, as well as project descriptions for FY 2009-10 submitted by various City departments. Per CDBG regulations, CDBG funding for public service projects is capped at 15% of the City's FY 2009-10 total allocations, and funding for general administration of the CDBG program is capped at 10%. Also, as in prior years, proposed CDBG projects must meet a minimum budget of \$10,000 to be considered. If the estimated 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 2009-10

The following recommendations were made by the CDBGAC for the allocation of FY 2009-10 CDBG funding:

Priority 1: Senior Center Section 108 Loan Repayment (\$180,850): 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 2009-10 is \$180,850. The payment is taken directly from the City's allocation of CDBG funding. The obligation to repay this loan will conclude with the final payment in August 2014.

Priority 2: CDBG General Administration Authority (\$30,350): This project is a priority of the Community Development Department, whose staff, along with Accounting Division staff, has primary responsibility for the administration and management of the City's annual CDBG funding allocation. CDBG guidelines allow the City to apply up to 10% of the entitlement funds for administration, which includes administrative, accounting and public participation costs. The CDBGAC recommends that \$30,350, the full amount allowable under CDBG regulations, be used for the reimbursement of all eligible costs associated with the administration of the City's CDBG program.

Priority 3: Disability Services Specialist (\$45,527): 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 money for the past 24 years. The Disability Services Specialist assists in the identification of available community services, and implements, conducts and facilitates services and programs for Culver City residents with disabilities. CDBGAC recommends funding of \$45,527, the full amount allowable under CDBG regulations. The General Fund has historically funded the difference.

Priority 4: Renovation of the Playground at Veterans' Memorial Park (\$46,789) - This project proposes to renovate the playground at Veterans' Memorial Park for ADA accessibility. The CDBGAC recommends all additional CDBG funding allotted to the City be contributed to this project. In accordance with HUD regulations, CDBG funds may be used to pay for the removal of existing "material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements." Therefore, improving the park to allow for ADA accessibility is an eligible cost but the improvement of playground equipment is not.

The budget for the entire project is approximately \$350,000, of which \$110,000 have already been secured. Receiving the anticipated \$46,789 in CDBG funding will bring total project funds to approximately \$157,000. The Department of Parks, Recreation

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and Community Services (PRCS) will apply for a matching grant to secure additional funding. If the City is not awarded the grant, then the project will be completed in a phased approach with CDBG funding used in accordance with HUD regulations. The project can be extended if the funding for the equipment portion has not been committed or goes beyond the end of FY 09-10.

OTHER PROJECT REQUESTS

Listed below, and ranked in priority by the CDBGAC, are other funding requests, which exceed the anticipated amount of the CDBG funds to be received in FY 2009-10. However, if for any reason renovation of the Veterans' Memorial Park playground is not accepted by HUD as a project, then the CDBGAC recommends the Boise and Atlantic Avenue Street Tree Installation Project as first priority and additional funding be applied to the Countdown Pedestrian Signals.

- Priority 5: Boise and Atlantic Avenue Street Tree Installation Project - Department of Public Works staff is proposing to plant six (6) new street trees along the eastside of Boise Avenue and six (6) new street trees along Atlantic Avenue (\$12,960).
- Priority 6: Countdown Pedestrian Signals - This project proposed by the Department of Public Works consists of having City staff install 176 countdown pedestrian signals at 23 intersections. A regular 4-way intersection requires eight (8) countdown pedestrian signals at a cost of approximately \$250 each for a total project cost of \$48,400.
- Priority 7: The Sidewalk Replacement Project – This project consists of removing and replacing uplifted or damaged sidewalks on portions of Colonial Avenue, Wasatch Avenue, and Boise Avenue (all between Washington Place and Washington Boulevard). The total CDBG funding request is \$49,830 which is the entire cost of the project.
- Purchase and Installation of Loop System - Proposed by the Disability Advisory Committee, this project would purchase and install a Loop System at the City Council Chambers and at Veterans Memorial Park Auditorium at a cost of \$12,000. The Loop System is an assisted listening device that allows individuals with hearing aides to hear the signal coming from a centralized intersection microphone. Per staff and committee research, it was determined at the CDBGAC meeting that this was not the most effective technology to assist the hearing impaired and the item was pulled.

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FISCAL ANALYSIS:

Approval of the CDBGAC's recommendations could result in an impact to the City's General Fund. The position of Disability Services Specialist can be funded through CDBG at the maximum expenditure for public services of \$45,527, but leaves a need for approximately an additional \$38,000 that the CDBGAC requests be backfilled by the General Fund, which has historically funded the difference. Funding would be appropriated through the upcoming FY 09-10 budget process. With CDBGAC's recommendation to fund the renovation of the Veterans' Memorial Park Playground, additional grant source funding to complete the entire project will be applied for by the PRCS Department, who will manage the project.

SUMMARY OF 2006-07 CDBGAC FUNDING RECOMMENDATIONS

<u>Priority</u>	<u>Project Title</u>	<u>Recommended Funding</u>
Priority 1	Senior Center 108 Loan Repayment	\$180,850
Priority 2	CDBG General Administration	\$ 30,350
Priority 3	Disability Services Specialist	\$ 45,527
Priority 4	Renovation of Vets Playground	\$ 46,789
TOTAL CDBGAC RECOMMENDATIONS:		\$303,516
ESTIMATED AVAILABLE FUNDING:		\$303,516
(Est. Allocation + Unprogrammed Funds)		

ATTACHMENTS:

1. Proposed Resolution authorizing the filing of the City's 2009-10 CDBG application.
2. Minutes of the CDBG Advisory Committee Public Hearing conducted on December 17, 2008.
3. Committee funding recommendations for FY 2009-10.
4. Information provided to CDBGAC.

MOTION:

That the City Council:

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1. Approve the FY 2009-10 CDBG projects, including procedures for accommodating changes in anticipated CDBG funding and CDBG Advisory Committee modifications, as set forth in this staff report (or as amended this evening); and
2. Adopt a Resolution authorizing the filing of the FY 2009-10 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 2009-10 CDBG Allocation; and
4. Approve the CDBG Reimbursable Contract with the County of Los Angeles concerning Culver City's FY 2009-10 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.