

MEETING DATE 04/10/06

AGENDA ITEM Allocate and Appropriate Unallocated Community Development Block Grant (CDBG) Funds to the Sherbourne Streetlight Replacement Project between Washington Boulevard and Jacob Street for Program Year 2006/2007

ATTACHMENTS

		<u>Pages</u>
1	Staff Report, Agenda Item PH-1 January 23, 2006, Public Hearing Regarding the Allocation of 2006-07 Community Development Block Grant (CDBG) funds	1-5

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Meeting Date 01/23/06		Item Number PH-1	
AGENDA ITEM Public Hearing Regarding the Allocation of 2006-07 Community Development Block Grant (CDBG) Funds			
Contact Person/Dept Akil Manley		Phone Number (310) 253-6015	
Fiscal Impact Yes ☒ No ☐		General Fund Yes ☒ No ☐	
Public Hearing ☒		Action Item ☐ Attachments ☒	
Public Notification Master Notification List and CDBG Advisory Committee Members and Alternates (01/19/06), Legal Notice was published in the Culver City Observer and posted at various City locations (01/11/06)			
Department Approval Martin R Cole (01/19/06)		CAO Approval Martin R Cole for Jerry B Fulwood (01/19/06)	
City Controller Approval Marlee Chang (01/19/06)			
<u>RECOMMENDATION</u> Staff recommends the City Council consider approval of the Community Development Block Grant (CDBG) Advisory Committee's recommendation in the allocation of CDBG funds for FY 2006-07 <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 declares the Public Hearing open 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> Culver City has participated in the CDBG program as a member of the Los Angeles Urban County Entitlement since 1977. During that time the City has received allocations in excess of \$10 million, which have been approved by the City Council to fund such projects as the construction of the new Senior Center, installation of wheelchair ramps/curb cuts, installation and upgrade of streetlights, and modifications to City facilities to comply with Federal accessibility regulations including the Americans with Disabilities Act (ADA) mandates. CDBG funds have			

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also gone toward the administration of the CDBG program and to provide funding for positions providing programs and services for people with disabilities. In compliance with requirements for citizen participation in the allocation of CDBG funding, the Community Development Block Grant Advisory Committee (CDBGAC) meets annually to discuss the allocation of CDBG Entitlement funds. The CDBGAC Orientation meeting was held on December 7, 2005 and a Public Hearing was held on January 4, 2006 in which project recommendations were made by CDBGAC.

Additional material is attached for review to further describe program regulations and eligibility criteria. Also included is a list of projects approved for FY 2005-06, as recommended by the CDBGAC and the individual requests for CDBG funding submitted by the various City departments.

DISCUSSION

The CDBG funding estimate of \$323,791 for 2006-07 reflects an 8% reduction from the 2005-06 allocation. Since FY 2001-02, due to the decrease in Federal funding for the overall CDBG Program, funds allocated to the City have declined by 17.5%.

The actual 2006-07 allocation will not be known until late March, after the submission of the City's CDBG application. Of the total estimated allocation for 2006-07, \$204,427 is earmarked for the repayment of the Section 108 Loan, which was used to partially fund construction of the City's new Senior Center, leaving \$119,364 available to fund other CDBG projects. CDBGAC made their recommendations at their January 4th public hearing as to how the remainder of the funds should be utilized. If the estimated allocation is not received at the anticipated level, the earmark will remain the same, as adjustments will be accordingly to capital administration and public service project allocations.

CDBG funding for public service projects is capped at 15% of the City's 2006-07 total allocation, while funding for general administration of the CDBG program is capped at 10%. Also, as was the case in 2005-06, proposed CDBG projects must meet the minimum budget of \$10,000 to be considered.

PROPOSED PROJECTS FOR 2006-07

The following are the recommendations of the CDBGAC for the allocation of 2006-07 CDBG funding:

Priority 1 Senior Center Section 108 Loan Repayment (\$204,427) Section 108 loan funding was utilized to partially construct the City's Senior Center. The amount earmarked for repayment of the loan in FY 2006-07 is \$204,427. The payment is

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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 (\$32,379) This project is a priority of the Office of the Chief Administrative Officer 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 \$32,379, 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 (\$48,569) The funding for this project is a priority of the Parks, Recreation and Community Services Department and the Disability Advisory Committee. This position assists in the identification of available community services, and implements, conducts and facilitates services and programs for Culver City residents with disabilities. The full amount necessary to fund this full-time position is \$83,728. CDBGAC recommends funding of \$48,569, the full amount allowable under CDBG regulations. Please note that there is a difference of \$37,159 between the requested amount and the amount recommended by the CDBGAC. As with previous fiscal years, the Committee requests the Council backfill the position with General Fund dollars to make up the difference.

Priority 4 Washington Place Streetlight Replacement (\$38,416) This project is the first priority of the Department of Public Works and consists of upgrading 34 existing streetlights and associated circuitry on the north and south side of the street. The CDBG funding request is \$78,000. The matching fund will be \$192,000 Gas Tax funds. The total estimated cost of the project for construction is \$270,000. CDBGAC recommends to partially fund this project in the amount of \$38,416.

OTHER PROJECT REQUESTS

Due to a lack of available CDBG funding for FY 2006-07, the CDBGAC was unable to recommend the Hubbard Streetlight Replacement Project and the Sherbourne Streetlight Replacement Project.

The Hubbard Streetlight Replacement Project, which is the second priority of the Department of Public Works, consists of upgrading the 15 existing streetlights to current standards. The total CDBG funding request is \$40,000. The matching fund will be \$130,000 Gas Tax funds. The total estimated cost of the project for construction is \$170,000.

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The Sherbourne Streetlight Replacement Project which is the third priority of the Department of Public Works, consists of upgrading the 7 existing streetlights to current standards. The total CDBG funding request is \$30,000. The matching fund will be \$55,000 Gas Tax funds. The total estimated cost of the project for construction is \$85,000.

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, but leaves a need for \$37,159 that the CDBGAC requests be backfilled by the General Fund. With CDBGAC's recommendation to fund the Washington Place Streetlight project in the amount of \$38,416, matching funds of \$231,584 in Gas Tax funding will be used, not requiring General Fund monies.

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	\$204,427
Priority 2	CDBG General Administration	\$ 32,379
Priority 3	Disability Services Specialist	\$ 48,569
Priority 4	Washington Place Streetlight Replacement	<u>\$ 38,416</u>
TOTAL CDBGAC RECOMMENDATIONS		\$323,791
ESTIMATED AVAILABLE FUNDING		\$323,791
(Est. Allocation + Unprogrammed Funds)		

ATTACHMENTS

- 1 Proposed Resolution authorizing the filing of the City's 2006-07 CDBG application
- 2 Minutes of the CDBG Advisory Committee Public Hearing conducted on January 4, 2006
- 3 Approved CDBG Projects for 2005-06
- 4 2006-07 CDBG Public Information Report

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- 5 Memo from Akil Manley, Management Analyst / CDBG Administrator, regarding Culver City Senior Center Project Section 108 loan repayment funding from the 2006-07 CDBG allocation
- 6 Memo from Armando Abrego Senior and Social Services Manager requesting 2006-07 CDBG funding for the Disability Services Specialist
- 7 Memo from Lee Torres, Associate Engineer, requesting 2006-07 CDBG funding for streetlight replacement along Washington Place
- 8 Memo from Akil Manley Management Analyst / CDBG Administrator, requesting 2006-07 funding for General Administration

MOTION

That the City Council

- 1 Approve the 2006-07 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 the Resolution authorizing the filing of the 2006-07 application for funding from the Community Development Block Grant Program, including all certifications, and
- 3 Designate the Chief Administrative Officer 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 2006-07 CDBG Allocation, and
- 4 Approve execution of the CDBG Reimbursable Contract with the County of Los Angeles concerning Culver City's 2006-07 CDBG Allocation, subject to the review of the City Attorney and authorize the Mayor to sign and the City Clerk to attest thereto