

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 01/22/07		Item Number: <u>PH-1</u>	
AGENDA ITEM: Public Hearing Regarding the Allocation of 2007-08 Community Development Block Grant (CDBG) Funds and Adoption of Resolution Authorizing the Filing of the 2007-08 Application for Funding from the CDBG Program, Designation of City Manager as Authorized Representative, and Approval of CDBG Reimbursable Contract.			
Contact Person/Dept.: Shelly Wolfberg		Phone Number: (310) 253-6008	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☒		Action Item: ☐ Attachments: ☒	
Public Notification: CDBG Advisory Committee Members and Alternates. Legal Notice was published in the Culver City News on 12/28/06 and 01/04/07 and posted at various City locations; Master Notification List on 01/17/07.			
Department Approval: Martin R. Cole (01/17/2007)		City Attorney Approval: Heather Iker (01/17/2007)	
City Controller Approval: Marlee Chang (01/17/07)		City Manager Approval: Jerry B. Fulwood (01/17/2007)	
<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 2007-08 and adopt the Resolution authorizing the filing of the 2007-08 application for funding from the CDBG program. <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 arrives at its decision. <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			

City of Culver City, California
City Council Agenda Item Report

including the Americans with Disabilities Act (ADA) mandates. CDBG funds have 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, 2006, and a Public Hearing was held on January 9, 2007 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 2006-07, as recommended by the CDBGAC, and the individual requests for CDBG funding submitted by the various City departments.

DISCUSSION:

The CDBG funding estimate of \$316,593 is identical to 2006-07 allocation. Since FY 2001-02, CDBG funds allocated to the City have declined by 21%.

The final 2007-08 allocation will not be known until late March, after the submission of the City's CDBG application. Of the total estimated allocation for 2007-08, \$196,645 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. The CDBGAC made its recommendations at its January 9 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 made accordingly to capital, administration, and public service project allocations.

CDBG funding for public service projects is capped at 15% of the City's 2007-08 total allocation, while funding for general administration of the CDBG program is capped at 10%. Also, as was the case in 2006-07, proposed CDBG projects must meet the minimum budget of \$10,000 to be considered. The following table summarizes the CDBG allocation available for projects. Please note, this table reflects the City Council's policy of maximizing the allocation of funding for General Administration and staff time (the Disability Services Specialist):

Total Estimated Allocation FY 07/08:	\$316,593
Less: Section 108 Senior Citizen Loan Payment	(196,645)

Sub-Total – Available for Projects/General Administration \$119,948

City of Culver City, California
City Council Agenda Item Report

Less: Maximum Available for General Administration (31,659)

Sub-Total – Available for Projects \$ 88,289

Less: 50% Funding of Disability Services Spec. (47,488)

Total Available for Projects: \$ 40,801

PROPOSED PROJECTS FOR 2007-08

The following are the recommendations of the CDBGAC for the allocation of 2007-08 CDBG funding:

Priority 1: Senior Center Section 108 Loan Repayment (\$196,645): Section 108 loan funding was utilized to partially construct the City's Senior Center. The amount earmarked for repayment of the loan in FY 2007-08 is \$196,645. 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 (\$31,659): This project is a priority of the Office of the City Manager, 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 \$31,659, 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 (\$47,488): The funding for this project is a priority of the Parks, Recreation and Community Services Department and the Disability Advisory Committee (DAC). 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 estimated at \$95,613 for FY 2007-08. Please note that there is a difference of \$48,125 (about 50% cost of the position) between the requested amount and the amount recommended by the CDBGAC. And, although the CDBGAC recommends funding \$47,488, for the full amount allowable under CDBG regulations, the committee recommends the City Council fund this position in its entirety through the General Fund. Alternatively, the Council may consider backfilling the position with General Fund dollars to make up the difference during the budget process. However, staff recommends continuing the use of the CDBG funding to fund the position to the fullest extent from CDBG in keeping with City

City of Culver City, California
City Council Agenda Item Report

Council past practice. The CDBG program is one of the few grant programs that provides funding for staff time. Therefore, it remains staff recommendation to use CDBG funds for that purpose to the fullest extent allowable under CDBG guidelines. Should the City Council determine to change this practice, an additional \$47,488 would be available in FY 07/08 for eligible projects.

Priority 4: Sidewalk, Curb, & Gutter Replacement Project (\$30,000): Based on the field observation, staff located several damaged sidewalks, curbs, gutters, and one curb ramp in need of repair.. The streets considered for repair fall in Tract 7024.00, Block Group 2, and meet the required eligibility for CDBG public infrastructure projects. The total estimated construction cost to complete the sidewalk, curb, gutter, and curb ramp repair is in the amount of \$40,000, which includes a 10% construction contingency. The Public Works Department will request a \$10,000 allocation of Gas Tax dollars for FY 2007-08 for this project, pending project application approval from the Community Development Commission. There is a sufficient number of additional sidewalks that can be repaired, should additional CDBG funding become available.

Priority 5: Countdown Pedestrian Signals (\$10,800): The CDBGAC recommended the installation of countdown pedestrian signals at about \$314 each. Countdown pedestrian signals display the seconds remaining to cross an intersection. These signals benefit individuals in wheelchairs that need to navigate a curb cut to cross the street in addition to assisting the developmentally disabled and the elderly. After some discussion, the Committee recommended the intersections of Main Street and Culver Boulevard; Culver Boulevard and Duquesne Avenue.; Sepulveda Boulevard and Washington Boulevard; Overland Avenue and Maytime Lane; and Sepulveda Boulevard and Braddock Drive. Each intersection will have eight devices with the exception of Overland Avenue and Maytime Lane, which requires four devices. The estimate to purchase the 32 countdown pedestrian signals is approximately \$10,800, including contingency. The labor will be performed by Public Works Maintenance staff.

OTHER PROJECT REQUESTS

Staff proposed a Grass Parkway Removal and Replacement Project that would involve the removal of deteriorated grass parkways and the construction of a concrete sidewalk in various locations along Washington Boulevard at a total estimated cost of \$36,360. This project was not chosen by the CDBGAC to pursue in the 2007-08 CDBG application process.

The Atlantic Avenue Street Tree Project was also proposed. It would require the planting of 6-24 inch box Southern Magnolia trees on Atlantic Avenue for a total cost

City of Culver City, California
City Council Agenda Item Report

of \$11,800 to include the purchase of the trees and early critical care. Due to a lack of available CDBG funding for FY 2007-08, the CDBGAC was unable to recommend the Atlantic Avenue Street Tree Project.

Once Council approves the list of projects for submission, it will be included as Exhibit A in the Resolution.

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 \$48,125 that the CDBGAC requests be considered to be backfilled by the General Fund during the budget process. The Public Works department will request \$10,000 from Gas Tax fund for the sidewalk, curb, & Gutter Replacement Project in fiscal year 2007-08 budget should the project be approved by the LACDC. The Public Works Department has agreed to maintain all projects.

SUMMARY OF 2007-08 CDBGAC FUNDING RECOMMENDATIONS

<u>Priority</u>	<u>Project Title</u>	<u>Recommended Funding</u>
Priority 1	Senior Center 108 Loan Repayment	\$196,645
Priority 2	CDBG General Administration	\$31,659
Priority 3	Disability Services Specialist	\$47,488
Priority 4	Sidewalk, Curb, & Gutter Replacement Project	\$30,000
<u>Priority 5</u>	Countdown Pedestrian Signals	<u>\$10,800</u>
TOTAL CDBGAC RECOMMENDATIONS:		\$316,592

ESTIMATED ALLOCATION: **\$316,593**

ATTACHMENTS:

1. Proposed Resolution authorizing the filing of the City's 2007-08 CDBG Application.
2. Approved CDBG Projects for 2006-07.
3. 2007-08 CDBG Public Information Report.
4. Memo from Shelly Wolfberg, Intergovernmental Relations Officer/CDBG Administrator Regarding Culver City Senior Center Project Section 108 Loan Repayment Funding from the 2007-08 Allocation.

City of Culver City, California
City Council Agenda Item Report

5. Memo from Shelly Wolfberg, Intergovernmental Relations Officer/CDBG Administrator regarding 2007-08 CDBG Request for General Administration Funding.
6. Memo from Armando Abrego, Senior and Social Services Manager, requesting 2007-08 CDBG Funding for the Disability Services Specialist.
7. Memo from Lee Torres, Associate Engineer, requesting 2007-08 CDBG funding for sidewalk, Curb and Gutter Replacement in CDBG Eligible Areas.
8. Memo from Armando Abrego, Senior and Social Services Manager, requesting 2007-08 CDBG Funding for the Countdown Pedestrian Signals.
9. Memo from Lee Torres, Associate Engineer, requesting 2007-08 CDBG funding for Atlantic Avenue Street Trees.

MOTION:

That the City Council:

1. Approve the 2007-08 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 2007-08 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 2007-08 CDBG Allocation; and
4. Approve execution of the CDBG Reimbursable Contract with the County of Los Angeles concerning Culver City's 2007-08 CDBG Allocation, subject to the review of the City Attorney and authorize the Mayor to sign and the City Clerk to attest thereto.