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Item No. 4

APR 28 2020

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

5:50PM

City of South Gate
CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: April 28, 2020

Originating Department: Community Development

Department Director: *William Dominguez* City Manager: *Michael Flad*
Joe Perez Michael Flad

SUBJECT: PROJECTS AND ALLOCATIONS ELIGIBLE FOR FUNDING FROM THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM FOR FISCAL YEAR 2020/21

PURPOSE: To consider the Citizen’s Advisory Committee’s (CAC) recommended projects and funding amounts to be appropriated from Community Development Block Grant (CDBG) funds for fiscal year 2020/21. This item was continued from the March 24, 2020 City Council meeting.

RECOMMENDED ACTIONS: Following the conclusion of the Public Hearing:

- a. Consider the recommended Citizen’s Advisory Committee’s list of proposed projects and allocations for Community Development Block Grant funds for fiscal year 2020/21; and
- b. Determine the amounts to be appropriated per project from the estimated \$1,400,000 Community Development Block Grant funding for fiscal year 2020/21.

FISCAL IMPACT: There is no fiscal impact to the General Fund. The fiscal impact will be the expenditure of approximately \$1,400,000 in CDBG funds during fiscal year 2020/21. However, funding amounts are subject to change due to Congressional restrictions.

ALIGNMENT WITH COUNCIL GOALS: The projects and activities recommended by the CAC meet the City Council’s goals to continue creating and protecting strong and sustainable neighborhoods by providing home improvement programs, eliminating graffiti, and assisting disabled and potentially homeless individuals. In addition, the Park Fence Restoration and Replacement project will support the goal of continuing infrastructure improvements.

NOTICING REQUIREMENT: Advertising and notification of the Public Hearing was conducted in compliance with Municipal Code 11.50.020 and was published in the Los Angeles WAVE on March 13, 2020.

ANALYSIS: The action before the City Council is part of the established CDBG funding allocation process. The Department of Housing and Urban Development (HUD) generally informs cities of their CDBG funding in July or August of each year. Since this occurs after the date the City begins the application process, staff estimated the CDBG allotment based on the previous year funding. It is anticipated that the City will receive \$1,400,000 in fiscal year 2020/21.

HUD allows 20% (\$280,000) of the annual CDBG allocation to go towards administrative costs including salaries, training, benefits, postage, maintenance of equipment, etc., and \$24,000 for Fair Housing. Only \$210,000 (15%) of the total annual allocation is allowed for Public Services Projects. \$100,000 also goes to Home Delivery for the administration of the City's Home Improvement Program. This leaves \$810,000 for Non-Public Service Projects. If fewer CDBG funds are received than anticipated, City Council approved projects will be reduced on pro-rata basis, per past practice.

Below is a brief description of each of the projects recommended by the CAC:

Non-Public Service Projects (\$810,000)

- *SG Park Fence Restoration and Replacement (\$400,000)*: The Park Fence Restoration and Replacement Project proposes to reconstruct fencing that separates playgrounds from nearby streets, prevents patrons from wandering into sporting events and protects individuals from entering into potentially dangerous areas such as unguarded swimming pools.
- *Commercial Façade Improvement (\$350,000)*: The Commercial Façade Program will offer up to \$40,000 for existing or new business owners to make exterior commercial façade improvements such as new signage, installation of new doors and windows, new paint and exterior lighting. Participants must provide a \$6,000 match, remove exterior violations, and sign contract with licensed contractor.
- *Tweedy Mile- Upgrading Business Fronts (\$60,000)*: The Tweedy Mile Upgrading Business Fronts Enhancement Program will assist eligible business owners along the Tweedy Mile in upgrading and maintaining their business fronts. Each participating business would receive a \$6,000 grant for exterior improvements.

Public Service Projects – 15% (\$210,000)

- *Family Prevention and Education (\$10,000)*: The Family Violence Prevention and Education Program promotes awareness and education about issues related to domestic violence. This program provides those impacted by family violence with counseling, support groups, referrals to community resources, and assistance with placement into shelters if necessary.
- *South Gate Police Explorers (\$7,000)*: The South Gate Police Explorers Program provides training for youths (ages 14-21) who are interested in pursuing a career in law enforcement. Police Explorers are used to supplement sworn personnel in non hazardous situations and various community events.
- *Graffiti Abatement (\$140,000)*: The Graffiti Abatement Program currently services eligible low- and moderate-income service areas by removing graffiti. The program addresses removal of graffiti on both residential and business structures in the public right-of-way, sidewalks street surfaces and other public surfaces.
- *Salvation Army Bell Shelter (\$22,500)*: The Salvation Army Bell Shelter proposes to operate a Community Service Program exclusively for residents of the City of South Gate who are experiencing homelessness. The program will offer temporary housing for up to 90 days.

Supportive services include comprehensive needs assessment, individualized case management, benefits advocacy transportation services and life skills classes. The project proposes to serve 11 individuals during the one year contract.

- *Helpline Youth Counseling (\$22,500)*: Helpline Youth Counseling assists low and moderate income households at risk of experiencing homelessness to achieve and maintain housing stability. Services include rental payments, security and utility deposits, case management, and intake and assessment needs. The program offers housing search placement services, mediation, legal services and credit repair.
- *Southern California Rehabilitation Services (\$8,000)*: Southern California Rehabilitation Services, Assistive Technology Program provides equipment such as wheelchair ramps, grab bars, and comfort height toilets to mobility impaired low income individuals. Other mobility devices include walkers, wheelchairs and shower seats. The program offers minor home modifications such as door widening, lowering counter tops and installing accessible sinks and appliances.

Program Delivery Costs (\$100,000)

- HUD allows the use of CDBG funds to cover staff costs directly related to administering the Homeowner Rehabilitation Program funded with HOME Investment Partnerships funds. The Homeowner Rehabilitation Program makes zero interest loans up to \$65,000 to low income eligible homeowners to make needed repairs.

BACKGROUND: During the month of October, letters were sent to non-profit organizations and city departments and a legal notice of funding availability was published on October 10, 2019, to inform prospective applicants of the availability of CDBG funds for fiscal year 2020-21. Applications were made available at mandatory meetings held in October where the application process was explained in detail and questions were answered. Completed applications were accepted in the City Clerk’s office up until the deadline date of November 28, 2019. The CAC reviewed the applications and later heard presentations from the applicants at their meetings of January 22, 2020 and January 29, 2020. On February 5, 2020, the CAC discussed and recommended approval of the attached list of projects and allocations. This item was continued from the March 24, 2020 City Council meeting.

Upon approval of the CDBG projects and allocations, the Annual Action Plan Update will be finalized for submittal to HUD. The Annual Action Plan Update is both an application and a plan required by HUD for cities receiving funding from the CDBG program. Any changes made on projects or allocations after that date can only be approved pursuant to a Substantial Amendment which requires a public hearing process.

- ATTACHMENTS:**
- A. CDBG Funding Summary
 - B. CAC and staff recommended projects and allocations
 - C. Public Notice for CAC’s recommended projects and allocations
 - D. Public Notice of Availability of Funds

CDBG Funding Summary (FY 2020-21)

CDBG REVENUES	FY 2019-20 Budgeted	FY 2020-21 Estimated
CDBG Annual Allocation	\$1,463,262	\$1,400,000
Carry-Over from Prior Years (not used to determine funding caps)	\$100,000	\$0
Program Income	\$1,750	\$0
Total CDBG Revenues	\$1,565,012	\$1,400,000

CDBG EXPENDITURES	FY 2019-20 Budgeted	FY 2020-21 Estimated
Program Admin. (up to 20% of FY allocation - includes \$24,000 for Fair Housing Foundation)	\$292,652	\$280,000
Program Delivery (Home Imp. Program)	\$100,000	\$100,000
Public Service Projects (up to 15% of annual allocation)	\$210,000	\$210,000
Non-Public Service Projects	\$962,360	\$810,000
Total Service Project Funding	\$1,565,012	\$1,400,000

CDBG Funding Requests - Service Projects (FY 2020-21)

NON-PUBLIC SERVICE PROJECTS (\$810,000 AVAILABLE)	FY 2019-20 CC Approved	FY 2020-21 Requested	FY 2020-21 Staff Recommend.	FY 2020-21 CAC Recommend.	FY 2020-21 CC Approved
Code Enforcement	\$375,000	\$0	\$0	\$0	
Fence Repair (Parks)	\$327,360	\$400,000	\$400,000	\$400,000	
Commercial Façade Improvement	\$200,000	\$300,000	\$300,000	\$350,000	
Tweedy Mile, Upgrading Business Fronts	\$60,000	\$60,000	\$60,000	\$60,000	
Total Non-Public Service Requests	\$962,360	\$760,000	\$760,000	\$810,000	\$0

PUBLIC SERVICE PROJECTS (15%: \$210,000 AVAILABLE)	FY 19-20 CC Approved	FY 2020-21 Requested	FY 2020-21 Staff Recommend.	FY 2020-21 CAC Recommend.	FY 2020-21 CC Approved
Family Violence Prevention and Education	\$10,000	\$10,000	\$10,000	\$10,000	
Police Explorers	\$7,000	\$7,000	\$7,000	\$7,000	
Graffiti Abatement	\$140,000	\$140,000	\$140,000	\$140,000	
Salvation Army (Bell Shelter)	\$22,500	\$40,000	\$22,500	\$22,500	
Helpline Youth Counseling	\$22,500	\$40,000	\$22,500	\$22,500	
Southern California Rehabilitation Svcs	\$8,000	\$10,000	\$8,000	\$8,000	
Los Angeles Centers for Alcohol & Drug Abuse	\$0	\$10,000	\$0	\$0	
Volunteers of America - Los Angeles	\$0	\$75,000	\$0	\$0	
Total Public Service Requests	\$210,000	\$332,000	\$210,000	\$210,000	\$0

*\$50,000 Non-Public Service Projects will be rolled over for a future project

**PUBLIC NOTICE
CITY OF SOUTH GATE
CITY COUNCIL**

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City of South Gate, California may receive approximately \$1,487,150.00 dollars in Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). As part of this process, the City Council of South Gate will be conducting a Public Hearing to consider approving the Citizens Advisory Committee's (CAC) list of recommended projects and allocations.

DATE OF HEARING: Tuesday, March 24, 2020
TIME OF HEARING: 6:30 pm
LOCATION OF HEARING: City Hall Council Chamber, City of South Gate
8650 California Avenue
South Gate, California
PROJECT LOCATION: Citywide

The CAC's recommendations are as follows:

CDBG Allocation Total	\$1,400,000.00
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Program Administration Cap at 20%: Includes Fair Housing Foundation: (\$24,000)	\$280,000.00
Public Service Allocation Cap at 15%: Program Delivery	\$210,000.00 \$100,000.00
<i>Non-Public Service Projects Available</i>	<i>\$810,000</i>
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S.G. Park Fence Restoration and Replacement:	\$400,000
Commercial Façade Improvement	\$350,000
Tweedy Mile - Window/Door Repairs:	\$ 60,000
<i>Public Service Projects Available</i>	<i>\$210,000</i>
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Police Department- Family Violence Prevention & Education:	\$10,000
Police Department - Police Explorers:	\$7,000
Public Works Department - Graffiti Abatement:	\$140,000
The Salvation Army - Homeless Shelter:	\$22,500
Helpline Youth Counseling — Homelessness Prevention:	\$22,500
Southern California Rehabilitation Services:	\$8,000

INVITATION TO BE HEARD: All interested persons are invited to the Public Hearing to be heard. In addition, written comments may be submitted to the City Council prior to the hearing. Comments may be submitted in writing by mailing comments to City of South Gate, Community Development Department, Attn: Dianne Guevara, Management Analyst, 8650 California Avenue, South Gate, CA 90280.

Those desiring a copy of the staff report or further information related to this project should contact

Contact: Dianne Guevara, Management Analyst
Phone: 323-563-9535
E-mail: dguevara@sogate.org

Mailing Address: Community Development Department
City of South Gate
8650 California Avenue
South Gate, CA 90280-3075

ESPAÑOL

Información en Español acerca de esta junta puede ser obtenida llamando al 323-563-9535

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**PUBLIC NOTICE
CITY OF SOUTH GATE**

AVAILABILITY OF FUNDS AND REQUEST FOR PROPOSALS

NOTICE IS HEREBY GIVEN that the City of South Gate is entitled to receive an estimated \$1,400,000 dollars in Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD) for Fiscal Year 2020-21. Of the total estimated amount, a maximum of fifteen percent (15%) or **approximately \$210,000** will be available to applicants for Public Service projects.

Proposed Public Service projects are required to *benefit low to moderate-income City residents* and meet a HUD eligible activity, including but not limited to those concerned with *crime prevention, child care, health, drug abuse, education, fair housing counseling, senior services, youth at-risk assistance or recreational needs*. A complete list of the eligible activities is available at South Gate City Hall in the Housing Division of the Community Development Department or online at the *U.S Government Printing Office website: www.ecfr.gov, Title 24 - CFR 570 –CDBG, Subpart C, §570.201(e)*.

Public Service organizations and Non-Public Service organizations interested in applying for CDBG funding must attend a **mandatory** workshop to be **eligible** to receive an application as follows:

PUBLIC SERVICE ORGANIZATIONS DATE OF WORKSHOP: Monday, October 28, 2019
TIME: 10:00A.M.
LOCATION: South Gate Civic Center Museum
8680 California Avenue, South Gate,
CA 90280

**NON-PUBLIC SERVICE ORGANIZATIONS
DATE OF WORKSHOP:** Monday, October 28, 2019
TIME: 2:00P.M.
LOCATION: South Gate Civic Center Museum
8680 California Avenue, South Gate,
CA 90280

Applicant personnel who will be designated on the proposed application as responsible for writing the grant application and managing the project are **required** to attend the workshop, and submit an **RSVP confirmation** to Abel Torres, Housing and Grants Analyst, atorres@sogate.org by **Thursday, October 17, 2019** with the following information:

- a) Name of organization;
- b) Name of the proposed project;
- c) Name and title of each attendee; and,
- d) Contact information for each attendee

Those desiring further information should contact Abel Torres, Housing and Grants Analyst, (323) [563-9528](tel:563-9528) atorres@sogate.org, Community Development Department, City of South Gate, 8650 California Avenue, South Gate, CA 90280-3075.

The South Gate Citizen Advisory Committee and City Council will hold a series of Public Hearings to determine and approve the funding recommendations for each Public Service project.

ESPAÑOL:

Información en Español acerca de esta junta puede ser obtenida llamando al (323) 563-9592.

/s/ Vivian M. Garcia, Housing Administrator

Published: October 10, 2019 - the Los Angeles WAVE