



Council Agenda Report

To: Mayor Pierson and the Honorable Members of the City Council

Prepared by: Elizabeth Shavelson, Assistant to the City Manager

Approved by: Reva Feldman, City Manager

Date prepared: July 21, 2020 Meeting date: August 10, 2020

Subject: Approval of Use of Community Development Block Grant Funds and COVID-19 CDBG Funds for the Los Angeles County Development Authority Small Business Grant Program and the Boys and Girls Club Malibu

RECOMMENDED ACTION: 1) Conduct the Public Hearing; and 2) Adopt Resolution No. 20-41 authorizing and approving the use of \$80,000 in Community Development Block Grant (CDBG) and COVID-19 CDBG (COVID-CV) funds to the Los Angeles County Development Authority (LACDA) for administration of a COVID-19 Small Business Assistance Grant program on behalf of the City of Malibu and \$47,000 in CDBG and CDBG-CV funds to the Boys and Girls Club Malibu (BGCM) for child-care services for income-qualified households.

DISCUSSION: On July 30, 2020, the City published a notice of public hearing for the August 10, 2020 City Council Regular meeting regarding the approval of the City of Malibu's proposed allocation of prior year CDBG funds and CDBG-CV funds. Due to the urgent need to provide assistance to vulnerable populations during the ongoing pandemic, LACDA has reduced the required public hearing notice period to five days. The public notice period for this public hearing exceeds the minimum requirement.

The City of Malibu currently has an unallocated balance of \$88,000 in CDBG funds from prior years. The CDBG program guidelines developed by the Department of Housing and Urban Development (HUD) and administered by LACDA stipulate the eligible uses of CDBG funds. In response to the COVID-19 pandemic, HUD has made changes to the CDBG program guidelines and LACDA recently notified the City that unallocated funds can be used for certain eligible COVID-19 related activities for senior and/or low- and moderate-income individuals or households.

In addition, as part of the CARES Act, additional CDBG funds have been made available to support seniors and/or low- and moderate-income individuals or households during the pandemic. Under this program, the City is estimated to receive \$39,450 in CDBG-CV funds.

Staff has worked with LACDA representatives to identify eligible COVID-19 related activities for funding. LACDA is currently administering a Small Business Assistance Grant program for small businesses impacted by the COVID-19 pandemic. The program provides grants up to \$10,000 for eligible businesses to help facilitate the creation and retention of low- to moderate-income jobs. LACDA will administer the program on behalf of the City including the initial intake, screening for eligibility and the distribution and tracking of grant funds. City staff would be responsible for promoting the grant program to the local business community and directing all those who are interested to LACDA to submit a grant application. By allocating \$80,000 to this program, 8 or more eligible local small businesses can receive grant funds.

As schools prepare to resume this fall via remote learning, many parents are struggling to find and afford child-care for school age children. This is especially true for low- and moderate-income households. The BGCM plans to provide child-care services for Malibu families in the fall. CDBG-CV funds can be used to fund child-care services for income-qualified households. City staff will assist BGCM to implement the CDBG required outreach, intake, eligibility screening, tracking and reporting protocols.

Based on a review of the CDBG-CV guidelines, local need and eligible COVID-19 activities, staff recommends that the City Council authorize and approve the use of \$80,000 in CDBG and CDBG-CV funds to the LACDA for administration of a COVID-19 Small Business Assistance Grant program on behalf of the City of Malibu and \$47,000 in CDBG and CDBG-CV funds to the BGCM for child-care services for income-qualified households

ATTACHMENTS:

1. Resolution No. 20-41
2. Public Hearing Notice

RESOLUTION NO. 20-41

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MALIBU
AUTHORIZING AND APPROVING THE USE OF PRIOR YEAR COMMUNITY
DEVELOPMENT BLOCK GRANT PROGRAM FUNDS AND COVID-19
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR THE CITY OF
MALIBU

The City Council of the City of Malibu does hereby find, order and resolve as follows:

SECTION 1. Recitals.

- A. The City of Malibu has an unallocated balance of prior year Community Development Block Grant (CDBG) Program funds of approximately \$88,000.
- B. The Los Angeles County CDBG Program has allocated \$39,450 in COVID-19 CDBG (CDBG-CV) Funds to the City of Malibu.

SECTION 2. After conducting a public hearing, the City Council hereby authorizes the expenditure of \$80,000 to the Los Angeles County Development Authority (LACDA) for administration of a COVID-19 Small Business Assistance Grant program on behalf of the City of Malibu and \$47,000 to the Boys and Girls Club Malibu for child-care services for income-qualified households. The City Council authorizes adjustments to the programmed amounts as needed and available, as well as in the event that the City receives a different total funding amount. The City Manager or her/his designee is also authorized to make changes to the project as needed.

SECTION 3. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED, and ADOPTED this 10th day of August 2020.

MIKKE PIERSON, Mayor

ATTEST:

HEATHER GLASER, City Clerk
(seal)

APPROVED AS TO FORM:

THIS DOCUMENT HAS BEEN REVIEWED
BY THE CITY ATTORNEY'S OFFICE

CHRISTI HOGIN, City Attorney

**NOTICE OF PUBLIC HEARING
CITY OF MALIBU
CITY COUNCIL**

The Malibu City Council will hold a public hearing on **Monday, August 10, 2020, at 6:30 p.m. in the City Council Chambers at Malibu City Hall**, located at 23825 Stuart Ranch Road, Malibu, CA, for:

Approval of the City of Malibu's proposed allocation of Community Development Block Grants (CDBG) and COVID-19 CDBG (CDBG-CV) funds in the amount of \$80,000 to the Los Angeles County Development Authority (LACDA) for administration of a COVID19 Small Business Assistance Grant program on behalf of the City of Malibu, and \$47,000 to the Boys and Girls Club Malibu for child-care services for income-qualified households. These proposed allocations will use the City's CDBG-CV funds and unallocated CDBG funds from prior years.

If there are any questions regarding this notice, please contact Lisa Soghor, Assistant City Manager at (310) 456-2489, ext. 224. Copies of all related documents can be reviewed by any interested person at City Hall during normal business hours, Monday through Friday. Oral and written comments may be presented to the City Council on, or before, the date of the meeting.

LISA SOGHOR, Assistant City Manager

Publish Date: Thursday, July 30, 2020