



Council Agenda Report

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

Prepared by: Elizabeth Shavelson, Assistant to the City Manager

Reviewed by: Lisa Soghor, Assistant City Manager

Approved by: Steve McClary, Interim City Manager

Date prepared: January 10, 2022 Meeting date: January 24, 2022

Subject: Approval of Use of Community Development Block Grant (CDBG) funds for Fiscal Year 2022-2023

RECOMMENDED ACTION: 1) Conduct the public hearing; and 2) Adopt Resolution No. 22-06 authorizing and approving the use of \$15,000 in CDBG funds for the Malibu Community Labor Exchange (MCLE) and the use of \$98,000 in CDBG funds for a permanent trailer for MCLE.

FISCAL IMPACT: The City expects to receive a total allocation of CDBG funding in Fiscal Year 2022-2023 in the amount of \$65,600. This allocation amount is an estimate provided by Los Angeles County Development Authority (CDA) and may fluctuate by +/- 2%. In addition, the City has an unallocated CDBG fund balance from prior fiscal years. If this item is approved by Council, the \$113,000 will be reflected in the City's CDBG revenue and \$15,000 will be included in the City's budget for the MCLE (215-7070-7800-00) and \$98,000 in CDBG funds will be included as a new capital improvement project for the MCLE permanent trailer.

WORK PLAN: This item was not included in the Adopted Work Plan for Fiscal Year 2021-2022. The permanent trailer for MCLE was formerly included on the City's Work Plan but was removed due to delays in the construction of the Santa Monica College's Malibu Satellite Campus Project and, now that the campus project is nearing complete, it will now be added back.

DISCUSSION: The City receives an allocation of federal CDBG funds every year. The funds are administered by the Los Angeles County Development Authority (CDA). The City is projected to receive \$65,600 in Fiscal Year 2022-2023. The CDA guidelines

stipulate that only 15 percent of the annual CDBG allocation can be allocated to public service programs and the remaining funds must be spent on eligible capital projects. In recent years, CDA has allowed some cities to request to exceed this percentage threshold to some degree as long as the overall percentage threshold is maintained County-wide.

Historically, the City has awarded the maximum public service program funds to the MCLE to operate a day labor program to assist homeless and low-income individuals and has had difficulty identifying CDBG eligible capital projects that met the CDBG funding guidelines. In January 2014, the Council adopted Resolution No. 14-70 authorizing CDBG capital funds to be used to purchase and install a permanent officer trailer for MCLE on the County property in the City's civic center area. MCLE was in need of a new trailer because the existing trailer that it was operating out of was determined to be dilapidated and unable to be relocated as needed to accommodate the construction of the Santa Monica College Malibu Satellite Campus Project on the County property. Due to the construction schedule and footprint of the Malibu Satellite Campus Project, the City's Permanent Trailer Project was put on hold. Council subsequently directed that CDBG funds be allocated to cover the costs to rent a temporary office trailer for MCLE. Representatives from Santa Monica College representatives estimate that the Malibu Satellite Campus Project will be substantially complete in fall 2022 and have reached out to the City to coordinate the installation of the permanent trailer. Given this timeline, staff recommends that \$98,000 CDBG funds be allocated to fund the purchase and installation of the trailer rental and \$15,000 be allocated to MCLE operations.

ATTACHMENTS:

1. Resolution No. 22-06
2. Notice of Public Hearing

RESOLUTION NO. 22-06

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MALIBU
AUTHORIZING AND APPROVING THE FISCAL YEAR 2022-2023
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM 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 is a participating agency under the County of Los Angeles Community Development Block Grant (CDBG) Program.
- B. The Los Angeles County Community Development Block Grant (CDBG) Program has allocated \$65,600 to the City of Malibu for Fiscal Year 2022-2023.
- C. The City has an unallocated CDBG fund balance from prior fiscal years of at least \$47,400.
- D. The City has considered and evaluated CDBG eligible projects and community needs.
- E. The Community Development Authority offers participating agencies the opportunity to transfer designated funding to a revolving grant fund which will be returned to the City to be used at a future time for a CDBG eligible project.

SECTION 2. After conducting a public hearing, the City Council hereby authorizes the expenditure of \$15,000 for Public Services under the Day Labor Exchange Program for Fiscal Year 2022-2023 and expenditure of \$98,000 in CDBG funds for a permanent trailer for the Malibu Labor Exchange Program. 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 and approve all necessary contracts and agreements needed to transfer to the CDBG Revolving Grant Fund.

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 24th day of January 2022.

PAUL GRISANTI, Mayor

ATTEST:

KELSEY PETTIJOHN, City Clerk
(seal)

APPROVED AS TO FORM:

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

JOHN COTTI, Interim City Attorney

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

The Malibu City Council will hold a public hearing on **MONDAY, January 24, 2022, at 6:30 p.m. on the item identified below via teleconference only in order to reduce the risk of spreading COVID-19, pursuant to AB 361 and the County of Los Angeles Public Health Officer's order.**

Public comment can be submitted ahead of the public hearing to citycouncil@malibucity.org for inclusion in the public record. To participate during the public hearing, please visit <https://malibucity.org/VirtualMeeting> and follow the directions for signing up to speak and downloading the Zoom application.

Approval of the City of Malibu's proposed allocation of Fiscal Year 2022-2023 Community Development Block Grant (CDBG) funds and unallocated CDBG fund balance from prior fiscal years.

The Council will consider the following proposed allocations:

The use of \$15,000 in CDBG funds for Public Services under the Day Labor Exchange Program.

The use of \$98,000 in CDBG funds for a permanent trailer for the Malibu Labor Exchange Program.

The estimated Fiscal Year 2022-2023 CDBG annual allocation for the City of Malibu is \$65,600 and may fluctuate +/-2%.

IF YOU CHALLENGE THE CITY COUNCIL'S ACTION IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES RAISED AT THE PUBLIC HEARING DESCRIBED IN THIS NOTICE, OR OTHERWISE HELD BY THE CITY, OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE CITY, EITHER AT OR PRIOR TO THE PUBLIC HEARING.

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

Lisa Soghor, Assistant City Manager

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