



Council Agenda Report

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

Prepared by: Joseph D. Toney, Assistant City Manager

Reviewed by: Renée Neermann, Finance Manager

Approved by: Steve McClary, City Manager

Date prepared: January 3, 2023 Meeting date: January 23, 2023

Subject: Approval of Use of Community Development Block Grant (CDBG) funds for Fiscal Year 2023-2034

RECOMMENDED ACTION: 1) Conduct the public hearing; and 2) Adopt Resolution No. 23-03 authorizing and approving the use of \$9,900 in CDBG funds for the Malibu Community Labor Exchange (MCLE) and the use of \$56,100 in CDBG funds for the permanent trailer project or for the construction of an office for the Day Labor Exchange Program.

FISCAL IMPACT: The City expects to receive a total allocation of CDBG funding in Fiscal Year 2023-2024 in the amount of \$66,000. 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 funding will be reflected in the City's CDBG revenue and \$9,900 will be included in the City's budget for the MCLE (215-7070-5931-01) and \$56,100 in CDBG funds will be included as additional funds for the MCLE permanent trailer capital improvement project.

WORK PLAN: This item was included as Item #7.I. in the Adopted Work Plan for Fiscal Year 2022-2023.

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 \$66,000 in Fiscal Year 2023-2024. 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 office 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, but additional obstacles have been identified requiring a more extensive project than originally planned. Staff will be returning to Council with a recommendation on modifying the scope of the project. In Fiscal Year 2022-2023, the City Council allocated \$98,000, for the permanent trailer which remain unspent due to the potential scope changes pending further Council direction.

At this time, staff recommends that the Council authorize and approve the use of \$9,900 in CDBG funds for the MCLE operations and the use of \$56,100 in CDBG funds for the permanent trailer project or the construction of an office for the Day Labor Exchange Program.

ATTACHMENTS:

1. Resolution No. 23-03
2. Notice of Public Hearing

RESOLUTION NO. 23-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MALIBU
AUTHORIZING AND APPROVING THE FISCAL YEAR 2023-2024
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 \$66,000 to the City of Malibu for Fiscal Year 2023-2024.
- C. The City has an unallocated CDBG fund balance from prior fiscal years of at least \$15,928.
- 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 \$9,900 for Public Services under the Day Labor Exchange Program for Fiscal Year 2023-2024 and expenditure of \$56,100 in CDBG funds for a permanent trailer or for the construction of an office for the Day 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

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 23rd day of January 2023.

BRUCE SILVERSTEIN, Mayor

ATTEST:

KELSEY PETTIJOHN, City Clerk
(seal)

APPROVED AS TO FORM:
THIS DOCUMENT HAS BEEN REVIEWED
BY THE CITY ATTORNEY'S OFFICE

TREVOR RUSIN, Interim City Attorney

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

The Malibu City Council will hold a public hearing on **MONDAY, January 23, 2023, 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 2023-2024 Community Development Block Grant (CDBG) funds and CDBG funding from prior fiscal years.

The Council will consider the following proposed allocations:

The use of \$9,900 in CDBG funds for Public Services under the Day Labor Exchange Program.

The use of \$56,100 in CDBG additional funds for permanent trailer project for the Day Labor Exchange Program.

In Fiscal Year 2022-2023, the City Council allocated \$98,000 for a permanent trailer for the Malibu Community Labor Exchange. Council will consider amending the scope of work for the project to provide for the construction of an office for the Day Labor Exchange Program, in addition to the increased funding for the project.

The estimated Fiscal Year 2023-2024 CDBG annual allocation for the City of Malibu is \$66,000 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, Joseph Toney, 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.

Joseph Toney, Assistant City Manager

Publish Date: January 19, 2023