

Recommendations:

1. Adopt the following resolution, entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIGNAL HILL, CALIFORNIA, APPROVING THE CITY'S PROPOSED COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAMS FOR FISCAL YEAR 2022-23

2. Approve the CDBG estimated allocation for FY 2022-23 in the amount of \$107,502, the CDBG -CV Act unexpended allocations of \$7,367, and the proposed expenditures of these allocations.

Fiscal Impact:

The available funding for CDBG projects and programs for FY 2022-23 is estimated at \$107,502.

On July 14, 2020 City Council approved CDBG-CV funding in the amount of \$64,962. Approximately \$57,595 of the CDBG-CV funding has been used in FYs 2020-21 and 2021-22 in support of the City's Food Distribution Program based on actual enrollment, with \$7,367 in remaining funds available to be carried over to FY 2022-23.

The estimated allocation of FY 2022-23 CDBG funding and the projected CDBG-CV unexpended allocation are proposed to be used during FY 2022-23 as follows.

Estimated FY 2022-23 CDBG Allocation:

Total Estimated FY 2022-23 CDBG Funds Available (201-11-4310)	\$ 107,502
Projected CDBG-CV Unexpended Allocation (201-11-4311)	\$ 7,367
Grand Total of Available CDBG Funds	\$ 114,869

Proposed CDBG Expenditures:

Public Service Projects (20% maximum):

Senior Food Distribution (201-40-5723)	\$ 21,500
CDBG-CV Funding (201-40-5723)	\$ 7,367

Non-Public Service Projects (80% maximum):

ADA Rubberized Playground Surfacing at Discovery Well Park (Fund 113)	\$ 86,002
Grand Total of CDBG Expenditures	\$ 114,869

The Non-Public Service Project costs will be reflected in the FY 2022-23 annual budget process within the Capital Improvement Plan Reserve Fund 113.

Strategic Plan Objective:

Goal No. 5: To ensure an enhanced quality of life for residents.

Background:

The primary objective of the Federal CDBG Program is the development of viable urban communities, including providing decent housing, promoting a suitable living environment, and expanding economic opportunity, principally for persons of low to moderate-incomes. Local CDBG programs must give maximum priority to benefiting low to moderate-income households, special needs groups such as senior citizens or the physically challenged, preventing or eliminating slum or blight conditions, and making public facilities accessible for people with disabilities in compliance with ADA. The Department of Housing and Urban Development (HUD) regulations allow a variety of activities that meet documented National Objectives. Annually, the City Council conducts a public hearing to allocate the funds being received for the following fiscal year.

In FY 2020-21, LACDA allowed the City to use all CDBG funding towards public service projects. On July 14, 2020, in response to community needs related to the COVID-19 pandemic, the Council re-allocated the City's CDBG funding for FY 2020-21 in addition to approving supplemental CDBG-CV Funding. Signal Hill selected to use the funding to provide weekly supplemental groceries to a total of 44 low-income senior households and 38 low-income families.

In FY 2021-22, the City continued to provide supplemental groceries to low income seniors every other week and approved the Signal Hill Park Open Space project to demolish two structures on E. 21st Street. The Family Food Distribution program was approved to be funded by the General Fund. Per LACDA, the City is required to expend 80% of the CDBG-CV allocation by June 20, 2023. Signal Hill is on track to use 92% of the funding by the deadline.

Analysis:

LACDA has notified the City that the FY 2022-23 CDBG allocation will be approximately \$107,502, a decrease of \$1,823 from FY 2021-22. Beginning in 2020, CDBG allowed a maximum of 20% of funds to be allocated toward a public service project such as the Food Distribution Program. The remaining funds (80%) may be used for non-public service projects, typically a capital improvement project. Staff is recommending CDBG funding allocation for the projects listed below.

Public Service Project: Food Distribution Program

For the past few years, the City has used CDBG funding to cover the cost of the Food Distribution Program. In FY 2020-21, the Food Distribution Program supported 44 low-income senior households on a weekly basis, an increase of 19 households from those served in FY 2019-20. A total of 38 families were also supported in FY 2020-21, due to COVID-19 and the City's ability to expand the program. In FY 2021-22, the program returned to supporting low-income senior citizens every other week and is currently serving 38 low-income seniors. The Family Food Distribution Program was funded by the General Fund within the Community Services operating budget in FY 2021-22.

Each fiscal year, participants are required to reapply for the Food Distribution Program through a process of self-certification of household size and income. Only low-income and extremely low-income households, based on HUD guidelines, are approved for the Food Distribution Program.

With increased participation and the annual allocation returning to a similar amount received in FY

2019-20, the Food Distribution Program has returned to serving senior households every other week. A maximum of 40 low-income senior households will be supported in FY 2022-23. Staff will continue efforts to secure grant funding to supplement the CDBG allocation. In FY 2022-23, staff proposes using the projected fund balance of the CDBG-CV funding estimated to be \$7,367 in addition to the estimated allocation of \$21,500 for a grand total of \$28,867 for the FY 2022-23 Food Distribution Program.

Non-Public Service Projects: ADA Rubberized Playground Surfacing at Discovery Well Park

On December 14, 2021, the City Council authorized the submission of an application for the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018, Per Capita Program in the amount of \$185,055 for Discovery Well Park (DWP) Improvements, located at 2200 Temple Avenue. After consulting with CDBG compliance agents and evaluation of other potential projects, staff determined that the ADA rubberized playground surfacing portion of the DWP Improvements Project is an appropriate and timely use of CDBG funds. If approved, the CDBG allocation for non-public services projects would cover \$86,002 of the project costs specifically related to the rubberized playground surfacing.

In the event the proposed CDBG funding does not cover the full amount required for the rubberized playground surfacing, staff will re-evaluate the project funding either proposing the City utilize Capital Improvement Plan Reserve Fund 113 or an alternative method. Staff anticipates issuing a Request for Bid for the DWP rubberized playground surfacing in Spring 2022 and will present a staff report to Council to award the contract to the lowest responsible bidder.

Reviewed:

Sharon del Rosario

Approved:

Hannah Shin-Heydorn

Attachments