



City of Carson Report to Mayor and City Council

July 5, 2011
Special Orders of the Day

SUBJECT: PUBLIC HEARING TO CONSIDER THE REVISED ALLOCATION OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR FISCAL YEAR 2011/12, AND REVISED 2011-2012 ANNUAL ACTION PLAN

Submitted by Clifford W. Graves
Economic Development General Manager

Approved by Clifford W. Graves
Interim City Manager

I. SUMMARY

At a public hearing on March 16, 2011, City Council approved the Draft Annual Action Plan, the city's application to the U. S. Department of Housing and Urban Development (HUD) for Community Development Block Grant (CDBG) funding and the allocation of that funding, for the period beginning July 1, 2011 and ending June 30, 2012, which constitutes the CDBG program year (PY) 2011 and city fiscal year (FY) 2011/12 (Exhibit No. 1).

The final entitlement figure HUD released represents a significant reduction in FY 2011/12 CDBG funding and a substantial reduction from the approved Draft Annual Action Plan. The revised Action Plan and budget are presented for the City Council's consideration.

II. RECOMMENDATION

TAKE the following actions:

1. OPEN the Public Hearing, TAKE public testimony, and CLOSE the Public Hearing.
2. ALLOCATE the revised figure of \$160,978.00 in CDBG public services funding for FY 2011/12 (PY 2011) proportionally among the providers.
3. REALLOCATE El Nido's \$11,919.00 share proportionally among the other providers.
4. APPROVE the revised FY 2011/12 (PY 2011) CDBG budget.
5. APPROVE the submission of the revised 2011-2012 Annual Action Plan to the U. S. Department of Housing and Urban Development.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

The city of Carson annually receives CDBG funds under the Federal Housing and Community Development Act of 1974, as amended, due to its status as an entitlement jurisdiction. CDBG funding can be used for projects and programs primarily benefiting low- and moderate-income persons that meet one or more of the National Objectives.

The FY 2011/12 draft budget included a projected 2.2% reduction from FY 2010/11 and that same reduction was applied to the entitlement amount in the Draft Action Plan budget approved by the City Council. Subsequent to the City Council's adoption of the Draft Action Plan, Congress enacted a further reduction of approximately 15% in the allocation for CDBG. That additional 15% reduction is reflected in the final FY 2011/12 entitlement allocation that HUD released.

In addition to this reduced entitlement allocation, the revised Action Plan budget (Exhibit No. 2) includes an increase in the amount of program income available for allocation, based on up-to-date figures that were unavailable in March. This moderates the effect of the reductions described above (for example, in the case of the amount available for allocation to the public service providers, the reduction is approximately 9% rather than 15%). The amount of accumulated unspent prior year funds (allocated within the Draft Action Plan budget to rehabilitation activities) is substantially increased from the adopted Draft Action Plan, primarily because the bulk of the funds made available for commercial rehabilitation as a result of the Substantial Amendment to the 2010-2011 Action Plan approved by the City Council on January 18, 2011 (Exhibit No. 3), will not be spent in FY 2010/11, thus those funds become available for reprogramming in FY 2011/12.

Staff applied the 9% reduction in the funds available for public service programs by reducing the approved allocations for each service provider by that same proportion. Subsequent to staff's notification to the affected programs of those reductions, El Nido Family Centers notified staff that because of significant reductions in its funding from all levels of government, operation of its Carson facility as of the end of October would cease. Staff applied the \$11,919.00 allocated to the El Nido Family Centers proportionally among the remaining programs.

A chart is included as Exhibit No. 4, detailing the differences between the City Council's Approved Draft Action Plan and the Revised Action Plan Recommendation.

V. FISCAL IMPACT

None.

VI. EXHIBITS

1. Minutes March 16, 2011, Item 22. (pgs. 4-9)

V. FISCAL IMPACT

None.

VI. EXHIBITS

- 1. Minutes March 16, 2011, Item 22. (pgs. 4-9)
- 2. Revised Action Plan Budget. (pg. 10)
- 3. Minutes January 18, 2011, Item 19. (pgs. 11-12)
- 4. 2011-2012 CDBG Funding Chart. (pg. 13)

Prepared by: Keith Bennett

TO:Rev010511

Reviewed by:

<u>City Clerk</u>	<u>City Treasurer</u>
<u>Administrative Services</u>	<u>Development Services</u>
<u>Economic Development Services</u>	<u>Public Services</u>

Action taken by City Council	
Date _____	Action _____

ITEM NO. (22) PUBLIC HEARING TO CONSIDER THE PROPOSED ALLOCATION OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR FISCAL YEAR 2011/12, AND DRAFT 2011/2012 ANNUAL ACTION PLAN (ECONOMIC DEVELOPMENT)

This item was heard at 7:41 P.M.

Public Hearing

Mayor Dear declared the Public Hearing open **TO CONSIDER THE PROPOSED ALLOCATION OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR FISCAL YEAR 2011/12, AND DRAFT 2011/2012 ANNUAL ACTION PLAN.**

City Clerk's Report

City Clerk Kawagoe reported that notice of the Public Hearing had been given pursuant to applicable law, including but not limited to the timely publication, and such copy of proof received by the City Clerk; postings as required by law; and other mailings as requested by individuals and organizations. The affidavits attesting to mailing and publishing such notice were on file in the City Clerk's Office. No written communications were received.

Mayor Dear directed that all affidavits of notice be made part of the record.

Staff Report

Interim City Manager/Economic Development General Manager Graves summarized the staff report and recommendation.

RECESS: The City Council was Recessed at 7:55 P.M. by Mayor Dear to allow groups to organize its spokespersons.

RECONVENE: The City Council was Reconvened at 8:09 P.M. by Mayor Dear with all members previously noted present.

Administration of Oath

Mayor Dear requested that all persons wishing to testify to stand and take the Oath, which was administered by City Clerk Kawagoe.

Public Testimony

The following persons, being previously sworn, testified before the City Council about the benefits of his/her program:

Lea Asi, 23742 S. Main Street, Carson, California 90745, representing Samoan-American Senior Citizens Involvement, Inc., requested funding at last year's level of \$10,000.

Cyndy Lum, 340 W. 225th Street, Carson, California 90745, representing Child Guidance Program.

Miesha Warren-James, 357 E. Centerview Drive, Carson, California 90746, representing Gang Alternative Program (GAP), requested an increase in the funding recommended by the Citywide Advisory Commission or funding at last year's level.

(Council Member Gipson exited the meeting at 8:19 P.M.)

Ronald Shimokaji, 1512 E. Carson Street, Sp. 135, Carson, California 90745, representing the Samoan Federation of America.

(Council Member Gipson reentered the meeting at 8:21 P.M.)

Cherie Ellis, 11426 Gale Avenue, Hawthorne, California 90250, representing Gang Alternative Program (GAP).

Belen Mejia, 1346 McDonald Avenue, Wilmington, California 90744, representing Gang Alternative Program (GAP).

Dimmery Davis, 2018 W. 82nd Street, Los Angeles, California 90044, representing Gang Alternative Program (GAP).

Alex Cainglet, 326 Palm Court, Carson, California 90745, representing Philippine Independence Day Foundation, requested the trustees to stand and be recognized and requested that the City Council consider the full amount requested.

Wilma Wilson, 19306 Harlan Avenue, Carson, California 90746, representing Peace and Joy Care Center, requested to remain at last year's funding.

Michael Ballue, 1334 Post Avenue, Torrance, California 90501, representing the National Council on Alcoholism & Drug Dependence – South Bay, requested an increase in funding.

Freddie Gomez discussed the benefits of the partnership between National Council on Alcoholism and Drug Dependence – South Bay and Victory Outreach

John Merryman, representing the South Bay Family Healthcare Center, stated that he was glad for the allocation of \$10,000 and would be happy with \$15,000.



SueAnn Abena, 309 W. Opp Street, Wilmington, California 90744, representing Gang Alternatives Program, requested that the City Council reconsider their requested amount.

June Pouesi, 20715 S. Avalon Boulevard, No. 200, Carson, California 90746, representing the Office of Samoan Affairs and expressed her appreciation for the recommended amount.

Dr. Jenny Batongmalaque, 23247 S. Main Street, requested funding in the amount of \$28,000.

Marvin Clayton, 426 W. Carson Street, No. 6, Carson, California 90745, Executive Director, Apollo West Carson Players, requested additional funding.

There being no further persons wishing to testify, Mayor Dear declared the Public Hearing closed.

RECESS: The City Council was Recessed at 8:55 P.M. by Mayor Dear at the request of staff and to a continued Closed Session.

RECONVENE: The City Council was Reconvened at 9:46 P.M. by Mayor Dear with all members previously noted present.

CLOSED SESSION REPORT:

City Attorney Wynder reported the Closed Session Report as follows:

Council Item No. 2

Administrative Services General Manager Acosta briefed the City Council on a proposal received from the AFSCME part-time employees.

Item No. 22 (Continued)

Deliberation

Interim City Manager/Economic Development General Manager Graves responded to questions raised by the City Council.

A discussion ensued regarding proposed funding allocations.

RECOMMENDATION for the City Council:

TAKE the following actions:

1. OPEN the Public Hearing, TAKE public testimony, and CLOSE the Public Hearing.
2. APPROVE the submission of the 2011-2012 Annual Action Plan to the U.S. Department of Housing and Urban Development.



3. APPROVE the proposed FY 2011/12 (PY 2011) CDBG budget.
4. ALLOCATE the \$178,055.00 in CDBG public services funding for FY 2011/12 (PY 2011) among the providers as designated by the City Council.

ACTION: It was moved to fund the organizations as recommended by the Citywide Advisory Committee on motion of Dear and seconded by Davis-Holmes as follows:

PY 2011-2012 Applicants	Amount Recommended by Citywide Advisory Commission
Apollo West Theatre and Drama Workshop	7,500
Erasto R. Batongmalaque Foundation/Filipino Veterans Foundation	7,500
Boys and Girls Club of Carson	12,683
Bridges Community Economic Development Corporation	8,183
Carson Coordinating Council/Carson Child Guidance Program	15,183
The Children's Clinic	7,683
El Nido Family Centers	13,183
Gang Alternatives Program	7,683
Gardena-Carson Family YMCA	10,183
Los Angeles County Sheriff's Department Carson Gang Diversion Team	8,183
Milestones Family Learning Center	7,683
Millennium Momentum Foundation	7,500
National Council on Alcoholism & Drug Dependence – South Bay	7,500
Office of Samoan Affairs	10,683
Peace and Joy Care Center	13,183
Philippine Independence Day Foundation	7,500



Samoan American Senior Citizens Involvement, Inc.	8,183
Samoan Federation of America	7,683
South Bay Family Healthcare Center	10,183
Total (Amount Available: \$178,055)	178,062

Substitute Motion

Council Member Ruiz-Raber offered a substitute motion to fund the organizations as follows, seconded by Gipson and unanimously carried by the following vote:

Ayes: Mayor Dear, Mayor Pro Tem Santarina, Council Member Davis-Holmes, Council Member Gipson, and Council Member Ruiz-Raber
 Noes: None
 Abstain: None
 Absent: None

PY 2011-2012 Applicants	Amount Recommended by Citywide Advisory Commission
Apollo West Theatre and Drama Workshop	9,500
Erasto R. Batongmalaque Foundation/Filipino Veterans Foundation	9,588
Boys and Girls Club of Carson	12,683
Bridges Community Economic Development Corporation	8,588
Carson Coordinating Council/Carson Child Guidance Program	17,771
The Children's Clinic	7,683
El Nido Family Centers	13,183
Gang Alternatives Program	10,683
Gardena-Carson Family YMCA	8,183
Los Angeles County Sheriff's Department Carson Gang Diversion Team	8,183



Milestones Family Learning Center	0
Millennium Momentum Foundation	7,500
National Council on Alcoholism & Drug Dependence – South Bay	7,500
Office of Samoan Affairs	10,683
Peace and Joy Care Center	13,183
Philippine Independence Day Foundation	7,500
Samoan American Senior Citizens Involvement, Inc.	8,183
Samoan Federation of America	7,683
South Bay Family Healthcare Center	10,183
Total (Amount Available: \$178,055)	178,055

RECESS: The City Council was Recessed at 10:47 P.M. by Mayor Dear at the request of staff.

RECONVENE: The City Council was Reconvened at 11:06 P.M. by Mayor Dear with all members previously noted present for Item No. 22, at the request of staff.

Item No. 22 (Continued)

Interim City Manager/Economic Development General Manager Graves referred to Item No. 22 and informed the City Council that staff recommendation Nos. 2 and 3 required action.

(Council Member Ruiz-Raber exited and reentered the meeting at 11:07 P.M.)

It was moved to approve staff recommendation Nos. 2 and 3 on motion of Dear, seconded by Gipson and unanimously carried by the following vote:

Ayes: Mayor Dear, Mayor Pro Tem Santarina, Council Member Davis-Holmes, Council Member Gipson, and Council Member Ruiz-Raber
Noes: None
Abstain: None
Absent: None



CDBG Program Year 2011--Action Plan
(Revised Budget--as of 6/27/11)

Revised

2011 Entitlement Grant & Reallocated Funds (est.)	\$ 993,792
Subtotal	\$ 993,792
Program Income PY 2010 (Projected, 15% available for Pub. Svcs.)	\$ 11,909
Program Income PY 2011 (Estimated, 20% available for Admin.)	\$ 7,487
Prior Years' Funds (Reprogrammed Funds--Estimate)	\$ 692,934 #
Subtotal	\$ 1,706,122
Section 108 Loan--Fourth Year Anticipated Expenditure	\$ 5,499,930
Total 2011 Estimated Funds Available	\$ 7,206,052

Administration (Limited to 20% of PY 2011 Grant + 20% of PY 2011 Program Income) =
\$206,245

Fair Housing (Housing Rights Center)	\$ 31,150
Administrative Staff (Salaries & Benefits)	\$ 134,800
Operations & Maintenance	\$ 40,295
Administration Total	\$ 206,245

Rehabilitation Activities (limited to 65% PY 2011 Grant = \$645,965 + \$692,934 (#) of
reprogrammed funds = \$1,338,899

<u>Neighborhood Pride Program</u> --(City Wide)	\$ 371,407 *
<u>Commercial Loans & Grants</u> --(Target Areas Only)	\$ 697,238 **
<u>Architectural Services</u> --(for Commercial Rehabilitation)	\$ 150,000 **
Rehabilitation Subtotal	\$ 1,218,645
<u>Rehabilitation Program Staff</u> --(Salaries & Benefits Only)	\$ 120,254
Rehabilitation Total	\$ 1,338,899

Section 108 Loan

<u>110/405 Mixed Use Project</u>	
Fifth-Year Expenditure	\$ 5,499,930
	\$ 5,499,930

Public Services (Limited to 15% of PY 2011 Grant + 15% of PY 2010 Program Income) =
\$160,978

Apollo West Theatre and Drama Workshop	\$ 9,276
Erasto R. Batongmalaque Foundation/Filipino Veterans Foundation	\$ 9,361
Boys and Girls Club of Carson	\$ 12,384
Bridges Community Economic Development Corporation	\$ 7,990
Carson Coordinating Council/Carson Child Guidance Program	\$ 17,352
The Children's Clinic	\$ 7,501
Gang Alternatives Program	\$ 10,430
Gardena-Carson Family YMCA	\$ 7,990
Los Angeles County Sheriff's Department Carson Gang Diversion Team	\$ 7,990
Millennium Momentum Foundation	\$ 7,323
National Council on Alcoholism & Drug Dependence--South Bay	\$ 7,323
Office of Samoan Affairs	\$ 10,430
Peace and Joy Care Center	\$ 12,872
Philippine Independence Day Foundation	\$ 7,323
Samoan American Senior Citizens Involvement, Inc.	\$ 7,990
Samoan Federation of America	\$ 7,501
South Bay Family Healthcare Center	\$ 9,942
Public Services Total	\$ 160,978

Summary

TOTAL 2011 ALLOCATION \$ 7,206,052

#--Included in this total is \$105,125 attributable to the PY 2010 Neighborhood Pride Program (*)
and \$442,385 attributable to the PY 2010 Commercial Loans & Grants Program (**).



ITEM NO. (19) PUBLIC HEARING TO CONSIDER A SUBSTANTIAL AMENDMENT TO THE COMMUNITY DEVELOPMENT BLOCK GRANT FY 2010/11 ANNUAL ACTION PLAN (ECONOMIC DEVELOPMENT)

This item was heard after Item No. 21 at 12:04 A.M., on January 19, 2011.

Public Hearing

Mayor Dear declared the Public Hearing open **TO CONSIDER A SUBSTANTIAL AMENDMENT TO THE COMMUNITY DEVELOPMENT BLOCK GRANT FY 2010/11 ANNUAL ACTION PLAN.**

City Clerk's Report

City Clerk Kawagoe reported that notice of the Public Hearing had been given pursuant to applicable law, including but not limited to the timely publication, and such copy of proof received by the City Clerk; postings as required by law; and other mailings as requested by individuals and organizations. The affidavits attesting to mailing and publishing such notice were on file in the City Clerk's Office. No written communications were received.

Mayor Dear directed that all affidavits of notice be made part of the record.

Staff Report

Interim City Manager/Economic Development General Manager Graves summarized the staff report and recommendation.

(Council Member Gipson exited and reentered the meeting at 12:05 A.M., on January 19, 2011.)

Administration of Oath

Mayor Dear requested that all persons wishing to testify to stand and take the Oath.

There being no persons wishing to testify, Mayor Dear declared the Public Hearing closed.



RECOMMENDATION for the City Council:

TAKE the following actions:

1. OPEN the Public Hearing, TAKE public testimony, and CLOSE the Public Hearing.
2. AUTHORIZE the reallocation of funds within the FY 2010/11 Annual Action Plan budget as follows:
 - a. Revise the estimate of unexpended prior year funds from \$525,000.00 to \$253,853.00.
 - b. Decrease the allocation for Mobilehome Park Acquisition from \$600,000.00 to \$0.00.
 - c. Decrease the allocation for Removal of Architectural Barriers from \$185,000.00 to \$113,853.00.
 - d. Increase the allocation for the Commercial Loans and Grants Program from \$100,000.00 to \$500,000.00
3. APPROVE the submission of a Substantial Amendment to the FY 2010/11 Annual Action Plan to the U. S. Department of Housing and Urban Development

ACTION: It was moved to approve staff recommendation Nos. 1, 2, and 3 on motion of Ruiz-Raber, seconded by Gipson and unanimously carried by the following vote:

Ayes: Mayor Dear, Mayor Pro Tem Santarina, Council Member Davis-Holmes, Council Member Gipson, and Council Member Ruiz-Raber
Noes: None
Abstain: None
Absent: None

2011-2012 CDBG Funding (Available for Allocation: \$1,706,122)	Council Approved Draft Action Plan (3/16/11)	Revised Action Plan Recommendation
Fair Housing (Housing Rights Center	\$ 32,240.00	\$ 31,150.00
Administrative Staff (Salaries & Benefits)	\$ 134,800.00	\$ 134,800.00
Operations & Maintenance	\$ 69,827.00	\$ 40,295.00
Total Administration	\$ 236,867.00	\$ 206,245.00
Neighborhood Pride Program (Residential Rehab)	\$ 321,564.00	\$ 371,407.00
Commercial Loans & Grants (Commercial Rehab)	\$ 500,000.00	\$ 697,238.00
Architectural Services (for Commercial Rehab)	\$ -	\$ 150,000.00
Mobilehome Park Acquisition	\$ -	\$ -
Removal of Architectural Barriers	\$ -	\$ -
Rehabilitation Staff (Salaries & Benefits)	\$ 120,254.00	\$ 120,254.00
Total Physical Development/Rehabilitation	\$ 941,818.00	\$ 1,338,899.00
Apollo West Theatre and Drama Workshop	\$ 9,500.00	\$ 9,276.00
Asian American Drug Abuse Program	\$ -	\$ -
E. R. Batongmalaque Fndn./Filipino Veterans Fndn.	\$ 9,588.00	\$ 9,361.00
Boys & Girls Club of Carson	\$ 12,683.00	\$ 12,384.00
Bridges Community Economic Development Corp.	\$ 8,183.00	\$ 7,990.00
Carson Coordinating Council (Carson Child Guidance)	\$ 17,771.00	\$ 17,352.00
The Children's Clinic	\$ 7,683.00	\$ 7,501.00
El Nido Family Centers	\$ 13,183.00	declined
Gang Alternatives Program	\$ 10,683.00	\$ 10,430.00
Gardena-Carson Family YMCA	\$ 8,183.00	\$ 7,990.00
L. A. Co. Sheriff's Dept. Carson Gang Diversion Team	\$ 8,183.00	\$ 7,990.00
Milestones Family Learning Center	\$ -	\$ -
Millenium Momentum Foundation	\$ 7,500.00	\$ 7,323.00
Natl. Council on Alcoholism/Drug Dependence-S. Bay	\$ 7,500.00	\$ 7,323.00
Office of Samoan Affairs, Inc.	\$ 10,683.00	\$ 10,430.00
Peace and Joy Care Center	\$ 13,183.00	\$ 12,872.00
Philippine Independence Day Foundation	\$ 7,500.00	\$ 7,323.00
Samoan American Senior Citizens Involvement, Inc.	\$ 8,183.00	\$ 7,990.00
Samoan Federation of America	\$ 7,683.00	\$ 7,501.00
South Bay Family Healthcare Center	\$ 10,183.00	\$ 9,942.00
Victory Comm. Ctr./Take 5 Youth Enrichment Program	\$ -	\$ -
Total Public Services	\$ 178,055.00	\$ 160,978.00
Total All Activities	\$ 1,356,740.00	\$ 1,706,122.00