



CITY OF COMMERCE AGENDA REPORT

TO: HONORABLE CITY COUNCIL

Item No. _____

FROM: CITY MANAGER

SUBJECT: PUBLIC HEARING – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, AUTHORIZING THE ALLOCATION FOR THE 52nd YEAR OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR FISCAL YEAR 2026-2027

MEETING DATE: January 27, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Conduct a public hearing to receive public input on the proposed Fiscal Year 2026–2027 Community Development Block Grant (CDBG) Program;
2. Adopt a resolution authorizing the allocation for the 52nd Year of Community Development Block Grant (CDBG) funds for Fiscal Year 2026–2027;
3. Authorize the City Manager or designee to prepare, execute, and submit the Planning Summary, agreements, and all required documents for the Fiscal Year 2026–2027 CDBG Program; and
4. Take any additional related action as deemed necessary.

PUBLIC NOTICE REQUIREMENTS:

A 14-day notice prior to this public hearing was required to provide the public an opportunity to comment on the Fiscal Year 2026-2027 programs and budget proposed for the CDBG Program. On January 13, 2026, said notice was posted on the City's website and posted on the City Clerk's bulletin board at the following locations: Commerce City Hall, Bandini Park, Veterans Memorial Park and Bristow Park.

BACKGROUND

The City of Commerce is a participating city in the County of Los Angeles Small Cities Community Development Block Grant Program, which distributes federal CDBG funds administered by the Los Angeles County Development Authority (LACDA). These funds are allocated annually to support eligible programs and projects that benefit low- and moderate-income persons.

The City's estimated CDBG allocation for Fiscal Year 2026–2027 is \$118,928.

Staff proposes to utilize these funds to continue the Home Preservation Grant Program, which has historically been funded with CDBG funds. Any changes to the allocation amounts will be adjusted in compliance with applicable regulatory requirements. Adoption of the proposed allocation is being brought before the City Council authorization. If approved, the City Council resolution will be submitted to LACDA.

ANALYSIS

The City has funded a variety of housing programs and projects over the years, including the Home Preservation Grant Program. This program provides financial assistance to income-qualified households to address health and safety deficiencies and to complete necessary, code-compliant home repairs.

Staff recommends continuing the Home Preservation Grant Program through Fiscal Year 2026–2027.

Program Description:

- **Home Preservation Grant Program**

CDBG funds provide grants to income-qualified households throughout the City of Commerce for up to \$30,000 to complete code-compliant home improvement repairs, including but not limited to painting, roofing, and window replacement.

The table below shows the funds allocated for the above-mentioned program for the proposed Fiscal Year 2026-2027

| PROGRAM/PROJECT | FY 2026-2027 CDBG Budget | CDBG Project Account Nos. |
|--|--------------------------------|------------------------------|
| Home Preservation Grant Program: Construction and Direct Program Administration | \$118,928 | 29-2910-71715- 10337 |
| Total CDBG Funding: | \$118,928 | |

FISCAL IMPACT:

The proposed action allocates \$118,928 in federal CDBG funds administered through LACDA for the Home Preservation Grant Program for FY 2026-27 and does not impact the City's General Fund.

If approved by the City Council, FY 2026-27 CDBG allocation will be incorporated into the City's FY 2026-28 biennial budget (revenue recorded in account 29-5400-37502, program expenditures recorded in account 29-2910-71715). For planning purposes, the FY 2027-28 budget will assume a funding level consistent with FY 2026-27; however, the actual allocation for FY 2027-28 will be subject to final award by LACDA and brought back to the City Council for consideration through a mid-year budget amendment, as necessary.

ALTERNATIVES

1. Approve recommendation
2. Reject recommendation
3. Provide staff with further direction

RELATIONSHIP TO STRATEGIC GOALS:

The proposed action is consistent with Community Quality of Life Guiding Principle No. 5 of the City's Strategic Action Plan, which seeks to foster environmentally conscious initiatives and promote a clean, well-maintained, and sustainable community. The Home Preservation Grant Program supports this goal by improving housing conditions, preserving existing housing stock, and enhancing neighborhood stability.

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| Prepared by: | Ashley Sanchez, Program Consultant, Avant Garde Inc. |
| Recommended by: | Jessica Serrano, Director of Community Development |
| Reviewed by: | Alvaro Castellon, Director of Finance |
| Approved as to form: | Noel Tapia, City Attorney |
| Respectfully submitted: | Ernie Hernandez, City Manager |

ATTACHMENTS

1. Resolution