



CITY OF COMMERCE AGENDA REPORT

TO: HONORABLE CITY COUNCIL

Item No. _____

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING PARTICIPATION IN THE LOS ANGELES URBAN COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

MEETING DATE: May 5, 2020

RECOMMENDATION:

Approve the Resolution and assign the number next in order, approving continued participation in the Los Angeles Urban County Community Development Block Grant (CDBG) Program.

BACKGROUND:

The City previously entered into a Cooperation Agreement with the County of Los Angeles allowing the City to participate in the Urban County Community Development Block Grant program. The current agreement for Fiscal Years 2018-2019, 2019-2020, and 2020-2021 ends June 30, 2021. There is an automatic renewal of the agreement for an additional three-year period unless the City (or County) provides written notice of its decision not to continue to participate in the three-year Urban County CDBG program.

ANALYSIS:

The County of Los Angeles recently notified all Participating Cities that as a result of a recent name change, the Los Angeles County Development Authority (LACDA) is requesting that all Participating Cities desiring to continue participation in the Urban County CDBG Program sign a new Cooperation Agreement that names LACDA as the County Agency signing on behalf of the County.

The population of the City of Commerce does not meet the requisite 50,000 population to qualify as an entitlement City under the CDBG program nor does the City have the resources to administer the CDBG HUD entitlement process and reporting requirements. Consequently, the best benefit for the City is to continue participation in the Los Angeles Urban County Program and renew the Cooperation Agreement. A sample of the new Cooperation Agreement, effective for the period of July 1, 2021 to June 30, 2024, is provided in Attachment 2 for reference.

FISCAL IMPACT:

The CDBG Program is a budgeted item. Funds expended as part of the CDBG Program are reimbursed to the City by LACDA. Although the funding levels that will be awarded for Fiscal Years 2021-2022, 2022-2023, and 2023-2024 are unknown at this time, execution of the Cooperation Agreement ensures that the City will be entitled to continued CDBG Program resources allocated by HUD and administered by the LACDA.

RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to the 2012 strategic planning goal: “*Protect and Enhance the Quality of Life in the City of Commerce*,” as it addresses an environmental issue of concern important to the community.

ALTERNATIVES:

1. Approve staff's recommendation
2. Provide staff with alternative direction

ATTACHMENTS:

1. Resolution
2. Sample Participating City Cooperation Agreement

Prepared by: Esther Luis, Program Consultant, MDG Associates, Inc.

Reviewed by: Viviana Esparza, Senior Administrative Analyst

Approved by: Jose D. Jimenez, Director of Economic Development and Planning

Reviewed by: Josh Brooks, Acting Finance Director

Approved as to form: Noel Tapia, City Attorney

Respectfully submitted: Edgar P. Cisneros, City Manager