

**PUBLIC HEARING**

Honorable Mayor and Members  
of the City Council  
City Hall  
Torrance, California

**Members of the Council:**

**SUBJECT: Finance and Community Development – Conduct public hearing, consider input, and adopt RESOLUTIONS authorizing exchange of General Funds for receipt of Community Development Block Grant funds and authorize revised allocation of funds.  
Expenditure: \$95,848**

**RECOMMENDATION**

Recommendation of the Finance Director and Community Development Director that City Council:

- 1) Conduct a public hearing and consider input regarding Community Development Block Grant (CDBG) funds;
- 2) Adopt a **RESOLUTION** authorizing the exchange of \$95,848 in City of Torrance General funds for \$143,057 in City of Duarte CDBG funds; and
- 3) Adopt a **RESOLUTION** authorizing the revised allocation of 2012 CDBG funds as follows:
  - City-wide Sidewalk Repair for handicap accessibility \$752,758
  - Downtown Sidewalk Repair for handicap accessibility \$100,000

**Funding**

Exchange funding of \$95,848 is available in the General Fund Reserve for exchanges.

**BACKGROUND AND ANALYSIS**

The City of Torrance, as a part of the Los Angeles County Community Development Commission (LACDC) CDBG program, has a 2012-13 allocation of \$621,509 in CDBG funding available for use in projects plus an additional \$13,047 of unallocated funds from 2011-12 for a total of \$634,556 of which \$534,847 was allocated to the City-wide Sidewalk repair for handicap accessibility and \$100,000 for Downtown Sidewalk repair for handicap accessibility. There is a discrepancy of \$291 in base allocation due to revision of the allocation number from \$621,800 when the initial allocation hearing was held in January 2012 to a current amount of \$621,509. Since then an estimated maximum of carry-over funds of \$75,145 became available for allocation when the Bus Stop Accessibility project came in under-budget, bringing the total to \$709,701 in available CDBG funds for 2012-13.

To further supplement the funds available for Sidewalk repair projects, the City is recommending entering into an exchange agreement with the City of Duarte for their unused CDBG funds, which exchanges Torrance's unrestricted General funds with Duarte's restricted CDBG funds. This is allowed for those jurisdictions participating in the LACDC CDBG program. Duarte has \$143,057 in restricted CDBG funds available and is willing to exchange them with Torrance General funds for \$95,848 at a rate of \$0.67 on the dollar. The full amount of \$143,057 in exchange CDBG funds will be allocated to the previously approved City-wide Sidewalk Repair project.

An initial public hearing allocating the 2012-13 CDBG funds was held January 10, 2012. The current hearing is required to approve the exchange of funds with the City of Duarte as well as the revised allocation of funds. The revisions are due to the additional amount of the exchange and the addition of carry-over funding from the 2011-12 bus stop accessibility project. Both of which are being recommended to be added to the Sidewalk accessibility project, bringing the total available to \$752,758 from \$534,847. No changes are proposed in funding for the Downtown project.

As with the initial hearing, the public must be afforded the opportunity to comment on these projects and then funding must be allocated to specific projects meeting the CDBG program objectives by way of Council resolution. In addition, the proposed exchange of funds must be approved by way of resolution.

The proposed fund exchange will provide an increased funding source for needed sidewalk improvements as well as making use of our full CDBG allocation for 2012-2013. In addition, these projects are all able to be completed within the allotted time frame for expenditure of CDBG funds.

After an opportunity for public comments, resolutions must be adopted, approving the exchange of funds and the revised allocation of our CDBG funds for the proposed projects.

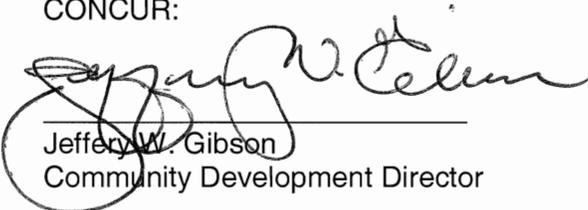
It should be noted that the resolutions grant authority to the City Manager to execute any and all documents necessary to complete the exchange of funds on behalf of the City of Torrance up to \$95,848. If this amount is exceeded or if there are future exchanges of CDBG funds the matter will be brought back before the City Council.

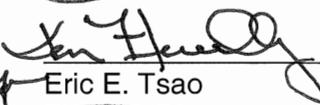
Respectfully Submitted,

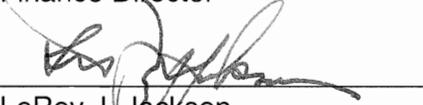
JEFFERY W. GIBSON  
Community Development Director

By   
Linda Cessna  
Deputy Community Development Director

CONCUR:

  
Jeffery W. Gibson  
Community Development Director

  
Eric E. Tsao  
Finance Director

  
LeRoy J. Jackson  
City Manager

- Attachments:
- A) Funding Exchange Resolution
  - B) Funding Allocation Resolution
  - C) Council item of 01-10-12
  - D) Exchange of Funds Agreement
  - E) Hearing Notice
  - F) Mayor's Script (Limited Distribution)

## RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF TORRANCE, CALIFORNIA APPROVING  
A LETTER OF AGREEMENT BETWEEN THE CITY  
OF DUARTE AND THE CITY OF TORRANCE  
REGARDING THE EXCHANGE OF COMMUNITY  
DEVELOPMENT BLOCK GRANT FUNDS (CDBG)  
FOR THE FISCAL YEAR 2012-2013**

**WHEREAS**, the City Council of the City of Torrance conducted a public hearing, pursuant to applicable law, on July 10, 2012, to consider the allocation of CDBG funds for the Fiscal 2012- 2013; and

**WHEREAS**, the use of CDBG funds is strictly limited by law; and

**WHEREAS**, on July 20, 2010, the City of Torrance executed a self-renewing Cooperation Agreement with the County of Los Angeles concerning CDBG funds; and

**WHEREAS**, the City of Duarte, a recipient of CDBG funds desires to exchange \$ 143,057 of its FY 2012-2013 CDBG funds for \$ 95,848 of General Funds.

**NOW, THEREFORE**, BE IT RESOLVED BY THE City Council of the City of Torrance as follows:

Section 1. The attached letter of Agreement between the City of Torrance and the City of Duarte is hereby approved.

Section 2. In accordance with the attached letter of Agreement, the City of Duarte will exchange \$143,057 of its FY 2012-2013 CDBG funds for \$95,848 of General Funds.

Section 3. The City Manager is authorized and directed to execute any and all documents necessary to complete the exchange of funds on behalf of the City of Torrance.

Section 4. This resolution shall take effect immediately.

Section 5. The City Clerk shall certify to the adoption of this resolution and thenceforth and thereafter the same shall be in full force and effect.

**INTRODUCED, APPROVED, AND ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Mayor of the City of Torrance

ATTEST:

\_\_\_\_\_  
Sue Herbers, City Clerk

APPROVED AS TO FORM:  
JOHN L. FELLOWS III, CITY ATTORNEY

By: \_\_\_\_\_  
Patrick Q. Sullivan, Assistant City Attorney

**RESOLUTION NO. 2012-****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE APPROVING THE CITY'S REVISED COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR FISCAL YEAR 2012-2013**

**WHEREAS**, the City Council of the City of Torrance will participate in the Los Angeles Urban County Community Development Block Grant (CDBG) program for fiscal year 2012-2013; and

**WHEREAS**, the City has a 2012 allocation of \$621,509 in CDBG funds plus \$13,047 in unallocated 2011 funds, \$75,145 in carry-over funds and \$143,057 in exchange funds and has revised the list of identified projects from that are eligible to use CDBG dollars; and

**WHEREAS**, the City has published information and held a public hearing to solicit comments and suggestions from the community for the use of these funds; and

**WHEREAS**, it is understood that the dollar amounts allocated for each project may change, either due to additional cuts to the CDBG program budget at the federal level which will result in corresponding cuts to the various projects or due to certain elements of the Downtown project being deemed ineligible for CDBG funding which will result in additional funding being programmed from the Downtown project into the Sidewalk project;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Torrance hereby:

Approves the Allocation of its available Community Development Block Grant funds for the following purposes:

<b>Sidewalk repair for handicap accessibility</b>	<b>\$752,758</b>
<b>Downtown sidewalk repair for handicap accessibility</b>	<b>\$100,000</b>

Authorizes the City Manager to take the following actions:

Submit the City's revised Program Planning summary for Fiscal Year 2012-2013 to the County of Los Angeles, reflecting the funding allocations set forth in this resolution;

Execute the contractual and related documents required for the implementation of the identified projects;

Reduce and reallocate the dollar amounts presently allocated for both sidewalk repair projects, in the event that there are additional cuts in the CDBG program budget at the federal level; and,

Reallocate up to \$25,000 from the Downtown sidewalk repair project to the General sidewalk repair project, in the event that certain elements of the Downtown sidewalk repair project are determined to be ineligible for CDBG funding.

**INTRODUCED, APPROVED AND ADOPTED** this 10th day of July, 2012.

\_\_\_\_\_  
Mayor of the City of Torrance

ATTEST:

\_\_\_\_\_  
City Clerk of the City of Torrance

APPROVED AS TO FORM:

JOHN L. FELLOWS III, City Attorney

By: \_\_\_\_\_  
Patrick Q. Sullivan, Assistant City Attorney

Council Meeting of  
January 10, 2012

**PUBLIC HEARING**

Honorable Mayor and Members  
of the City Council  
City Hall  
Torrance, California

**Members of the Council:**

**SUBJECT:** Community Development – Adopt **RESOLUTION** authorizing allocation of Community Development Block Grant (CDBG) Program funds.

**RECOMMENDATION**

Recommendation of the Community Development Director that City Council conduct a public hearing, consider public input and adopt a **RESOLUTION** authorizing the allocation of 2012 Community Development Block Grant funds with the Federal Housing and Urban Development as follows:

- |   |           |
|---|-----------|
| 1. City-wide Sidewalk Repair for handicap accessibility | \$534,847 |
| 2. Downtown Sidewalk Repair for handicap accessibility  | \$100,000 |

**Funding:** Estimated \$634,847 in CDBG funds to be made available for 2012<sup>1</sup> projects

**BACKGROUND AND ANALYSIS**

The City of Torrance, as a part of the Los Angeles County Community Development Commission (LACDC) CDBG program, has a 2012 allocation of \$621,800 in CDBG funding available for use in projects plus an additional \$13,047 of unallocated funds from 2011-12. Our allocation for 2012-13 has been reduced substantially by the Federal Government from our 2011 allocation of over \$900,000. While there may be additional changes based on further actions by the Federal Government, any such change will be covered by flexibility built into our proposed projects.

As a first step in the process of beginning the program year, projects eligible for CDBG funding and able to be completed within the program year have been identified. The public must be afforded the opportunity to comment on these projects and then funding must be allocated to specific projects meeting the CDBG program objectives by way of Council resolution.

CDBG funds must be used to benefit primarily low and very low income persons. There are a number of ways in which this may be accomplished, but the major focus of the program is actual physical improvements, such as street improvements, housing rehabilitation, parks or community centers. These income objectives are often met by linking improvements to specific census tracts having a concentration of more than 50%

low income residents. For the City of Torrance, this is not possible, as we have no census tracts meeting the program criteria. We can, however, focus on populations who are presumed to meet the income levels, such as seniors or handicapped persons.

For this reason, we are proposing projects that meet the national objective of assisting low income populations through projects providing handicap accessibility by removing architectural barriers. By using our CDBG grant for these projects rather than General Fund dollars, we will be able to undertake projects that we would otherwise not be able to while freeing up general fund dollars for other uses.

After looking at those projects that could be completed within the program year and that would meet the national objectives, thus qualifying to use CDBG funds, staff has formulated a list of projects for consideration. The projects include, in order of priority:

1. Sidewalk repair for handicap accessibility \$534,847

Throughout the City there are areas of sidewalk that are either raised or are simply non-existent, causing a barrier to those using the sidewalks with mobility impairments. This project will address these accessibility issues by going a step beyond our current ramping and grinding program and will remove the barriers, fixing the underlying cause of the uplift and replacing the sidewalk.

2. Downtown sidewalk repair for handicap accessibility \$100,000

This project will address the same sidewalk accessibility as the City wide project, but will focus on a specific area of the Downtown and will be undertaken in conjunction with a larger project funded by a grant. CDBG funds will provide the matching funds required by the grant.

It should be noted that the Downtown project has initially requested \$100,000, however, due to the strict standards of eligibility for the funding, some of the improvements may not be eligible for use of CDBG funding. If it is determined that certain costs cannot be charged to CDBG, those costs will move to the grant funding and the excess CDBG funds will be shifted to the City-wide Sidewalk repair project. Because of the flexibility built into the proposed projects, this change can easily be accommodated, and is noted in the Resolution, allowing us to make any adjustments without having to hold an additional public hearing.

While we approved a project for general program administration last year, due to changes anticipated from the Federal Government in the percentage of the CDBG grant allocated to program administration, we have been advised by the LACDC not to create a separate administration program, but to allocate any administrative costs directly to the project that they are supporting.

The proposed projects will allow us to make use of our full CDBG allocation for 2011-2012 and will provide a funding source for needed improvements outside of the General Fund. In addition, these projects are all able to be completed within the allotted time frame for expenditure of CDBG funds.

After an opportunity for public comments, a resolution must be adopted, approving the allocation of our CDBG funds for the projects selected by the Council.

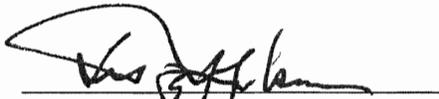
Respectfully Submitted,

JEFFERY W. GIBSON  
Community Development Director

By   
Linda Cessna  
Deputy Community Development Director

CONCUR:

  
Jeffery W. Gibson  
Community Development Director

  
LeRoy J. Jackson  
City Manager

Attachment:

A) Resolution

**RESOLUTION NO. 2012-**

**A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF TORRANCE APPROVING THE CITY'S  
REVISED COMMUNITY DEVELOPMENT BLOCK  
GRANT PROGRAM FOR FISCAL YEAR 2012-2013**

**WHEREAS**, the City Council of the City of Torrance will participate in the Los Angeles Urban County Community Development Block Grant (CDBG) program for fiscal year 2012-2013; and

**WHEREAS**, the City has a 2012 allocation of \$621,800 in CDBG funds plus \$13,047 in unallocated 2011 funds and has a list of identified projects from various departments that are eligible to use CDBG dollars; and

**WHEREAS**, the City has published information and held a public hearing to solicit comments and suggestions from the community for the use of these funds; and

**WHEREAS**, it is understood that the dollar amounts allocated for each project may change, either due to additional cuts to the CDBG program budget at the federal level, which will result in corresponding cuts to the various projects, or due to certain elements of the Downtown sidewalk repair project being deemed ineligible for CDBG funding, which will result in additional funding being programmed from the Downtown sidewalk repair project into the General sidewalk repair project;.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Torrance hereby:

Approves the Allocation of its available Community Development Block Grant funds for the following purposes:

<b>General sidewalk repair for handicap accessibility</b>	<b>\$534,847</b>
<b>Downtown sidewalk repair for handicap accessibility</b>	<b>\$100,000; and</b>

Authorizes the City Manager to take the following actions:

Submit the City's revised Program Planning Summary for Fiscal Year 2012-2013 to the County of Los Angeles, reflecting the funding allocations set forth in this resolution;

Execute the contractual and related documents required for the implementation of the identified projects;

Reduce and reallocate the dollar amounts presently allocated for both sidewalk repair projects, in the event that there are additional cuts in the CDBG program budget at the federal level; and

Reallocate up to \$25,000 from the Downtown sidewalk repair project to the General sidewalk repair project, in the event that certain elements of the Downtown sidewalk repair project are determined to be ineligible for CDBG funding.

**INTRODUCED, APPROVED AND ADOPTED** this 10th day of January, 2012.

\_\_\_\_\_  
Mayor Frank Scotto

APPROVED AS TO FORM:  
JOHN L. FELLOWS III, City Attorney

ATTEST:

By \_\_\_\_\_  
John L. Fellows III

\_\_\_\_\_  
Sue Herbers, CMC, City Clerk

**AGREEMENT FOR EXCHANGE OF  
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

This Agreement is made and entered into as of \_\_\_\_\_, 2012, by and between the **City of Duarte** and the **City of Torrance**.

**RECITALS**

- A. The City of Duarte has renewed a self-renewing three-year cooperation agreement with the County of Los Angeles concerning Community Development Block Grant (CDBG) Funds for Fiscal Years 2012-2013, 2013-2014, and 2014-2015.
- B. The City of Torrance has renewed a self-renewing three-year cooperation agreement with the County of Los Angeles concerning CDBG funds for Fiscal year 2012-2013, 2013-2014, and 2014-2015.
- C. The City of Duarte has CDBG Funds for FY 2012-2013 which could be made available to the City of Torrance in exchange for the assignment by the City of Torrance of the amount of its general funds indicated in Section 1 below, the City of Duarte is willing to assign FY 2012-2013 CDBG funds to the City of Torrance.
- D. The Cities now desire to enter into an agreement under which the City of Torrance would exchange \$95,848 of its general funds for entitlement of \$143,057 of the City of Duarte's CDBG Funding allocation Fiscal year 2012-2013.

NOW, THEREFORE, the Cities agree as follows:

**1. EXCHANGE.** The City of Duarte agrees to assign \$143,057 of its CDBG funds for Fiscal year 2012-2013 to the City of Torrance. In return, the City of Torrance agrees to assign \$95,848 of its general funds to the City of Duarte. The exchange rate is \$.67/100. The table below summarizes the amount to be exchanged and any public service and/or administration authority to be transferred to the City of Torrance.

FY	Amount	Public Service Authority Received
FY 2012-2013	\$143,057	\$21,458.55
Unallocated Balance	\$0	\$0
<b>Total</b>	\$143,057	\$0

**2. CONSIDERATION.** The City of Duarte shall assign the agreed upon CDBG Funds in one lump sum payment. The City of Torrance shall assign the agreed upon general funds to the City of Duarte in one lump sum payment. The lump sum payment shall be due and payable on or before August 31, 2012.

**3. BEST EFFORTS.** The City of Duarte shall use its best efforts to obtain any consent required of any other governmental or administrative agency to effectuate the assignment of \$143,057 of its CDBG Funds to the City of Torrance. The City of Torrance agrees to execute any and all additional documents which such agencies may request in connection with the assignment and receipt of the grant.

**4. TERM.** The Agreement is effective on the date above written and for such time as is necessary for both parties to complete their mutual obligations under this Agreement.

**5. TERMINATION.** Termination of this Agreement may be made by either party, so long as written notice of intent to terminate is given to the other party at least five (5) days prior to termination.

**6. NOTICE.** Notices shall be given pursuant to this Agreement by personal service on the party notified, or by written notice upon such party deposited in the custody of the United States Postal Service addressed as follows:

City of Duarte  
1600 Huntington Dr.  
Duarte, CA 91010

City of Torrance  
3031 Torrance Blvd.  
Torrance, CA 90503

**7. GOVERNING LAW.** This Agreement shall be governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this Agreement the \_\_\_\_\_ day of June, 2012

\_\_\_\_\_  
DARRELL GEORGE, City Manager  
CITY OF DUARTE

\_\_\_\_\_, City Manager  
CITY OF TORRANCE

ATTEST:

ATTEST:

\_\_\_\_\_  
MARLA AKANA, City Clerk

\_\_\_\_\_, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
DAN SLATER, City Attorney

\_\_\_\_\_, City Attorney

**CITY OF TORRANCE  
Community Development Department  
3031 Torrance Boulevard  
Torrance, CA 90503**

**NOTICE OF PUBLIC HEARING**

**NOTICE IS HEREBY GIVEN** that a Public Hearing will be held before the Torrance City Council at **7:00 p.m., July 10, 2012** in the City Council Chambers of City Hall, 3031 Torrance Boulevard, Torrance, California, on the following matter:

**The City Council will conduct a Public hearing to consider an exchange with the City of Duarte of \$95,848 in General Funds for \$143,057 in Community Development Block Grant (CDBG) funds and approving allocation of the additional funds to the previously approved Project:**

<b>Sidewalk repair for handicap accessibility</b>	<b>\$753,049</b>
<b>Downtown sidewalk repair for handicap accessibility</b>	<b>\$100,000</b>

Material can be reviewed in the Community Development Department. All persons interested in the above matter are requested to be present at the hearing or to submit their comments to the City Clerk, City Hall, 3031 Torrance Boulevard, Torrance, CA 90503, prior to the public hearing.

If you challenge the above matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Community Development Department or the office of the City Clerk prior to the public hearing, and further, by the terms of Resolution No. 88-19, you may be limited to ninety (90) days in which to commence such legal action pursuant to Section 1094.6 of the Code of Civil Procedure.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Community Development Department at (310) 618-5990. If you need a special hearing device to participate in this meeting, please contact the City Clerk's Office at (310) 618-2870. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting [28 CFR 35.102-35.104 ADA Title II].

For further information, contact the Community Development Department at (310) 618-5990.

Post: **June 8, 2012**

**SUE HERBERS  
CITY CLERK**