



REPORT TO CITY COUNCIL

To: Honorable Mayor and Members of the City Council

From: Jason Simpson, City Manager

Prepared by: Shannon Buckley, Assistant City Manager

Date: November 14, 2023

Subject: Community Development Block Grant (CDBG) Allocation for Fiscal Year 2024-2025 and Community Support Allocation for Fiscal Year 2023-2024

Recommendation

1. Adopt the Community Development Block Grant (CDBG) Program for Fiscal Year 2024-2025;
2. Approve the submittal of the City's program to the County of Riverside; and
3. Approve the allocation of Community Support Funds for Fiscal Year 2023-2024.

Background

Each year, the City of Lake Elsinore receives an allocation of Community Development Block Grant (CDBG) funds. These allocations are based on population and are designed to assist low- and moderate-income residents and areas.

On June 23, 2020, the City Council renewed its Joint-Recipient Cooperation Agreement (Metropolitan Cities Agreement) with the County of Riverside. Participation in the Joint Recipient Cooperation Agreement allows the City of Lake Elsinore to receive its portion of funds allocated by HUD minus a thirteen percent (13%) administration fee by the County of Riverside.

Eligible projects must primarily benefit low and moderate-income persons, prevent or eliminate slums and blight, or meet a need having a particular urgency. The County of Riverside Housing, Homelessness Prevention, and Workforce Solutions (HHPWS) has stated that "To ensure the effective, efficient, and appropriate allocation and use of the County's CDBG funding, the County may reject any proposed cooperating city CDBG activity in an amount less than \$10,000." The only exceptions to this policy include traditionally county-wide activities (city/county, multiple city, etc.) or a project or activity serving a very remote location.

On August 23, 2023, a Notice of Funding Availability was published. Additionally, all applicants from the previous year were notified via email. Additionally, this notice was published on the City's website along with the information regarding the City's Community Support Funding Program. The organizations were instructed to submit their Community Support Funds applications and CDBG applications.

On October 13, 2023, the City received seven (7) applications for CDBG Funds and six (5) applications for Community Support Funds. A list of current and past CDBG and Community Support Funding allocations is attached.

Discussion

For the Fiscal Year 2024-2025 funding program, the City hopes to receive approximately \$595,254. This matches the total amount awarded to the City for Fiscal Year 2023-2024. It should be noted that this amount is an estimate, and the actual amount of CDBG funds received by the City could fluctuate depending on how the United States Congress approves the national budget.

Based on an allocation of \$595,254 and CDBG requirements, thirteen percent (13%) or \$77,383 would be required by the County of Riverside for administrative costs. Additionally, the City can earmark a maximum of seven percent (7%) or \$41,668 towards CDBG program administration costs and fifteen percent (15%) or approximately \$89,288 towards public service programs.

However, to maximize the amount of CDBG funds available for the City projects, the Staff proposes using none of the CDBG funds for the City's administrative costs. This will allow a balance of \$428,582 for the following City project:

1. Main Street Sidewalk Improvements (\$428,871). The proposed project involves using CDBG funds to make much-needed improvements to the sidewalks on Main Street.

As of the filing deadline of October 13, 2023, the City received seven (7) outside public service agency applications for a total requested allotment of \$174,470.

The agencies requesting funds are as follows:

1. Assistance League of Temecula Valley (\$50,000). The agency is located in Temecula, and the organization's Operation School Bell provides clothing and shoes to disadvantaged children in the Murrieta, Lake Elsinore, Menifee, and Temecula School Districts. The requested CDBG funds would be used to service children in Lake Elsinore.
2. Boys and Girls Club of Southwest Riverside County (\$10,000). Located in Lake Elsinore, the organization requests funds for Boys and Girls Club Program Scholarships for before and after school programming and transportation to serve underserved youth in the City of Lake Elsinore. The activities are provided at the Boys and Girls Club's Clubhouse at 16275 Grand Avenue in Lake Elsinore.

3. Helping Our People in Elsinore, Inc. (HOPE) (\$65,000). Located in Lake Elsinore, the organization requests funds for its Pantry Program. It distributes a balanced menu of groceries to low-income families, seniors, and individuals in Lake Elsinore and the surrounding communities.
4. Michelle's Place (\$10,000). Located in Temecula, the organization is requesting funds to offset the cost of patient navigators who provide one-on-one support to clients newly diagnosed or currently going through cancer.
5. Vista Community Clinic (\$24,471). This organization's request for CDBG funds to meet the costs of a Certified Enrollment Counselor who links uninsured low-income residents of Lake Elsinore to health insurance and medical/dental home, thereby providing access to comprehensive healthcare services. Services would be provided at Vista Community Clinic's health center at 30195 Fraser Drive.
6. Western Eagle Foundation (\$10,000). Located in Temecula, this organization requests CDBG funds to purchase food through food brokers and distribution centers to fill boxes for daily pickup by partnering with non-profit agencies.
7. Honore's Home of Care (\$4,999). A pilot program, "Ma's Garden," focused on community building via "farm to fork." Members of the community prepare the land, plant seeds, and share the harvest with the community.

FY 2024 – 2025 CDBG Program Year – Proposed Allocation

Agency	2024-2025 Requested Amount	2024-2025 Proposed Allocation	2023-2024 Allocation
PUBLIC SERVICE PROGRAMS			
Assistance League of Temecula Valley	\$50,000	\$26,000	\$26,288
Boys & Girls Club of Southwest County	\$10,000	\$8,000	\$8,000
Helping Our People in Elsinore, Inc. (HOPE.)	\$65,000	\$29,000	\$29,000
Michelle's Place	\$10,000	\$5,000	\$5,000
Vista Community Clinic	\$24,471	\$21,000	\$21,000
Western Eagle Foundation	\$10,000	\$0	\$0
Honore's Home of Care	\$4,999	\$0	\$0
Subtotal	\$174,470	\$89,000	\$89,288
PUBLIC FACILITY PROJECT			
Public Facility Improvements	\$428,871	\$428,871	\$428,583
Subtotal	\$428,871	\$428,871	\$428,583
ADMINISTRATIVE COSTS			
Riverside County EDA	\$77,383	\$77,383	\$77,383
Subtotal	\$77,383	\$77,383	\$77,383
GRAND TOTAL	\$680,724	\$595,254	\$595,254

As of the filing deadline of October 13, 2023, the City received five (5) Community Support Funding applications for the total requested allotment of \$30,000.

The agencies requesting funds are as follows:

1. Trauma Intervention Program (\$10,000). Located in Murrieta, this agency provides emotional first aid to survivors of the tragedy to ease their immediate suffering and facilitate their healing and long-term recovery.
2. Salvation Army (\$5,000). Located in Temecula, this organization provides school-age children with a back-to-school shopping spree with the clothing and supplies they need to start school.
3. Helping our People in Elsinore, Inc. (\$5,000). Located in Lake Elsinore, the Pantry Program distributes a balanced menu of groceries to low-income families, seniors, and individuals in Lake Elsinore and the surrounding communities.
4. Boys and Girls Club of Southwest County (\$5,000). Located in Murrieta, the Ultimate STEM/Computer Science program provides technology and access to computers for youth. Through various activities, youth participate in web exploration, media production, robotics, coding, and more.

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5. Assistance League of Temecula Valley (\$5,000). The agency is located in Temecula, and the organization's Operation School Bell provides clothing and shoes to disadvantaged children in the Murrieta, Lake Elsinore, Menifee, and Temecula School Districts. The requested CDBG funds would be used to serve children in Lake Elsinore.

A breakdown of Community Support funding requests and proposed allocations for Fiscal Year 2023-2024 are reflected in the following table:

Agency	2023-2024 Requested Amount	2023-2024 Proposed Allocation	2022-2023 Allocation
Trauma Intervention Program	\$10,000	\$10,000	\$10,000
Salvation Army	\$5,000	\$5,000	\$5,000
Helping Out People in Elsinore, Inc.	\$5,000	\$5,000	\$5,000
Assistance League of Temecula Valley	\$5,000	\$5,000	\$5,000
Boys and Girls Club	\$5,000	\$5,000	\$5,000
GRAND TOTAL	\$30,000	\$30,000	\$30,000

Fiscal Impact

As indicated above, the City of Lake Elsinore's CDBG allocation is anticipated to be \$595,254 for the 2024-2025 Fiscal Year. These funds will be available on or about July 1, 2024.

There is \$30,000 available in the General Fund for Community Support Funding in the Community Support Budget.

Attachments

- Attachment 1 - Summary Matrix of Public Service Requests with Past Awards (CDBG)
- Attachment 2 - Summary Matrix of Community Support Funding Requests with Past Awards
- Attachment 3 - FY 2024-25 CDBG Funding Application - Assistance League of Temecula Valley
- Attachment 4 - FY 2024-25 CDBG Funding Application - Boys and Girls Club of Southwest County
- Attachment 5 - FY 2024-25 CDBG Funding Application - Helping Our People in Elsinore, Inc. (HOPE)
- Attachment 6 - FY 2024-25 CDBG Funding Application - Michelle's Place
- Attachment 7 - FY 2024-25 CDBG Funding Application - Vista Community Clinic
- Attachment 8 - FY 2024-25 CDBG Funding Application - Western Eagle Foundation
- Attachment 9 - FY 2024-25 CDBG Funding Application - Honore's Home Care
- Attachment 10 - FY 2024-25 Community Support Funding Application - Trauma Intervention Program
- Attachment 11 - FY 2024-25 Community Support Funding Application - Salvation Army

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Attachment 12 - FY 2024-25 Community Support Funding Application - Helping Our People in
Elsinore, Inc. (HOPE)

Attachment 13 - FY 2024-25 Community Support Funding Application - Assistance League of
Temecula Valley

Attachment 14 - FY 2024-25 Community Support Funding Application - Boys and Girls Club of
Southwest County