

RESOLUTION NO. 06-25

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
APPROVING COMMUNITY DEVELOPMENT BLOCK GRANT
PROJECTS FOR YEAR 2025**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, via a Cooperation Agreement with County of San Luis Obispo (hereafter referred to as “County”), a political subdivision of the State of California, executed by the City of Morro Bay (hereafter referred to as “City”) a municipal corporation, on September 6, 2023, the City agreed to become a participant for a period of three years with the County and other cities therein as an “Urban County” under the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, under the Cooperation Agreement, the City retains the authority to determine which projects are to be funded with its allotment of Community Development Block Grant (CDBG) Program funds; and

WHEREAS, the CDBG Program promotes the public health, safety and welfare by providing grant funds to be used by the City and County to improve housing opportunities for low- and moderate- income households, to encourage economic reinvestment, to improve community facilities and public services, and to provide other housing-related facilities, or services; and

WHEREAS, the City expects to receive \$58,914 in CDBG funds in 2025; and

WHEREAS, in 2024, the County published a “Notice of Funding Availability” for projects to be funded under the 2025 CDBG Program, which required proposals to be submitted by October 6, 2024; and

WHEREAS, the City received two applications for CDBG funding, one from 5 Cities Homeless Coalition (5CHC) for \$3,000 to administer countywide homelessness prevention services and one from the City of Morro Bay Public Works Department for \$48,255 for ADA sidewalk repairs and replacement; and

WHEREAS, on November 12, 2025, the City Council held a duly noticed public hearing and adopted Resolution 71-24, which forwarded draft CDBG funding recommendations, in the amounts requested by 5CHC and the Public Works Department for the identified projects, to the San Luis Obispo County Board of Supervisors; and

WHEREAS, on March 6, 2025, the San Luis Obispo County (“County”) Department of Social Services will publish draft funding recommendations for the San Luis Obispo Urban County’s estimated 2025 CDBG funding allocation, including the City of Morro Bay’s final funding recommendations for its share of CDBG funds; and

WHEREAS, the County did not receive any public comments regarding the City’s draft CDBG funding recommendations when the Board of Supervisors reviewed draft funding recommendations for its 2025 Housing Programs, which include CDBG; and

WHEREAS, the County’s CDBG funding recommendations are based on the County’s best estimate of HUD’s 2025 CDBG funding allocation (based on past funding trends) and are subject to pro-rata adjustments when the County receives a notification of its HUD allocation in or around May 2025; and

WHEREAS, at a regularly scheduled meeting on February 11, 2025, the City Council gave approval for final funding recommendations to be forwarded to the County Board of Supervisors for 2025 CDBG projects.

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NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California:

1. City will timely submit final funding recommendations for the current CDBG funding cycle to the Board of Supervisors for the County of San Luis Obispo consistent with the programs and allocations listed in Exhibit "A," attached hereto and incorporated herein by this reference, to be funded with the City's allocation of CDBG Program funds; and
2. City Manager is authorized for the current CDBG funding cycle to make pro rata adjustments to the allocation based on the final funding amount from San Luis Obispo County based on the approval of the federal budget and HUD's final grant amount to San Luis Obispo County.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 11th day of February 2025 on the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE

CARLA WIXOM, Mayor

ATTEST:

DANA SWANSON, City Clerk

EXHIBIT "A"

FINAL FUNDING RECOMMENDATIONS

TO FORWARD TO THE

COUNTY BOARD OF SUPERVISORS

Federal Funding Category / Applications Received	Amount Requested	Amount Recommended
Public Services – Limited to 15% of 2025 Allocation (or a maximum of \$8,837)		
<p>1. <u>Project Name:</u> Homeless Prevention – Countywide Services</p> <p><u>Applicant:</u> 5 Cities Homeless Coalition (5CHC)</p>	<p>\$3,000 CDBG funding request to Morro Bay (Total request is \$61,270 combined to all jurisdictions countywide)</p>	\$3,000
Public Facilities		
<p>2. <u>Project Name:</u> ADA Sidewalk Repair/Replacement Project</p> <p><u>Applicant:</u> Public Works Department, City of Morro Bay</p>	\$48,255	\$48,255
Total Funds Requested	\$51,255	
Total Funds Recommended		\$51,255
Estimated Total 2025 Funding Available		\$58,914