

RESOLUTION NO. 59-25

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
APPROVING DRAFT FUNDING RECOMMENDATIONS FOR COMMUNITY
DEVELOPMENT BLOCK GRANT
PROJECTS FOR YEAR 2026**

**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 California 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 executed on September 6, 2023, between the County of San Luis Obispo and the City of Morro Bay, the City retains the authority to determine which projects are to be funded with its allotment of 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 \$64,262 in CDBG funds in 2026; and

WHEREAS, in 2025, the County published a “Notice of Funding Availability” for projects to be funded under the 2026 CDBG Programs, which provided proposals were to be submitted by October 10, 2025; and

WHEREAS, at a duly noticed public hearing on November 12, 2025, the City Council gave approval for draft funding recommendations to be forwarded to the County Board of Supervisors for 2026 CDBG projects.

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.
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 special meeting thereof held on the 12th day of November 2025 on the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

CARLA WIXOM, Mayor

ATTEST:

DANA SWANSON, City Clerk

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EXHIBIT "A"

DRAFT 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 2026 Allocation (or a maximum of \$9,639)		
<p>1. <u>Project Name:</u> 40 Prado Homeless Services Center</p> <p><u>Applicant:</u> Community Action Partnership of San Luis Obispo County, Inc. (CAPSLO)</p>	<p>\$9,639 CDBG funding request to Morro Bay (Total request is \$117,981 combined to all jurisdictions and unincorporated areas countywide)</p>	<p>\$9,639</p>
Housing Rehabilitation /		
<p>2. <u>Project Name:</u> Minor Home Repair</p> <p><u>Applicant:</u> Community Action Partnership of San Luis Obispo County, Inc. (CAPSLO)</p>	<p>\$41,771</p>	<p>\$46,269*</p>
Public Facilities		
<p>3. <u>Project Name:</u> ADA Sidewalk Repair</p> <p><u>Applicant:</u> Public Works Department, City of Morro Bay</p>	<p>\$46,269</p>	<p>\$0</p>
Total Funds Requested	<p>\$97,679</p>	

Total Funds Recommended		\$55,908* <i>(Includes Administration funding totals that can be allocated towards the Minor Home Repair project)</i>
Estimated Total 2025 Funding Available		\$64,262
Federal Funding Category / Applications Received		Amount Requested
Public Services – Limited to 15% of 2026 Allocation (or a maximum of \$9,639)		Amount Recommended
1. <u>Project Name:</u> <i>40 Prado Homeless Services Center</i>		\$9,639
<u>Applicant:</u> <i>Community Action Partnership of San Luis Obispo County, Inc. (CAPSLO)</i>	\$9,639 CDBG funding request to Morro Bay <i>(Total request is \$117,981 combined to all jurisdictions and unincorporated areas countywide)</i>	\$9,639
Housing / Rehabilitation		
2. <u>Project Name:</u> <i>Minor Home Repair</i>		\$46,269
<u>Applicant:</u> <i>Community Action Partnership of San Luis Obispo County, Inc. (CAPSLO)</i>	\$41,771	\$46,269
Public Facilities		
3. <u>Project Name:</u> <i>ADA Sidewalk Repair</i>		\$0
<u>Applicant:</u> <i>Public Works Department, City of Morro Bay</i>	\$46,269	\$0
Total Funds Requested		\$97,679
Total Funds Recommended		\$55,908 <i>(Includes Administration funding totals that can be allocated towards the Minor Home Repair project)</i>
Estimated Total 2025 Funding Available		\$64,262