



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Laurie Sampson, Assistant City Manager

**MEETING DATE:** November 12, 2024

**SUBJECT:** Consideration of Resolution 2024-182, Approving Community Development Block Grants (CDBG) for FY 2025-2026

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### **RECOMMENDATION:**

Adopt Resolution 2024-182.

### **BACKGROUND:**

The City of Banning, through the Riverside County Housing and Workforce Solutions, has submitted various projects annually for funding under the CDBG program. Notifications of the application period in English and Spanish were published on the City's website and press releases were transmitted to the Record Gazette, Facebook, and Instagram. Applications were due to the city for consideration on or before October 31, 2024, at 4:00 pm.

As part of the CDBG guidelines, the proposed projects/activities must meet the following criteria:

1. The project or activity must primarily benefit the low and moderate-income community.
2. The project or activity must aid in the prevention or elimination of slums and blight areas.
3. The project or activity must be designed to meet the Community's development needs and have a particular urgency.

### **JUSTIFICATION:**

In response to the 2025/2026 grant cycle, five applications for service-related projects were submitted by non-profit organizations, one facility improvement project application from the City. As set forth in the guidelines for utilization of the CDBG funding, the City Council may designate up to 15% of the City's allocation to service oriented non-profit agencies for public services projects but is not required. The FY 2025/2026 estimated allocation is \$159,000 of which \$23,850.00 can be awarded to non-profit service-related organizations.

The applications are summarized below.

Applications Received	Requested Funding	Ad-Hoc Recommended
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Community Projects

Sunrise Life Development	\$35,000.00	\$ 5,000.00
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Habitat for Humanity	\$50,000.00	\$ 5,000.00
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Faith in Action	\$47,500.00	\$ 5,000.00
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Voices for Children	\$10,000.00	\$ 5,000.00
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Boys and Girls Club	\$35,000.00	\$ 3,850.00
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City of Banning Projects

Senior Center Restrooms	\$149,356.00	\$ 135,150.00
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Total \$326,856.00 \$159,000

On September 24, 2024, the City Council appointed an Ad-hoc Committee comprised of two Council members, Sheri Flynn and David Happe and the Economic Development Manager, Marisol Lopez, to review and recommend approval of Community Development Block Grant ("CDBG") Funding Cycle 2025/2026.

The committee met on November 6, 2024, Council Member Happe absent, and recommended the City's CDBG entitlement be allocated to Sunrise Life Development in the amount of \$5,000; Habitat for Humanity in the amount of \$5,000; Faith in Action in the amount of \$5,000; Voices for Children in the amount of \$5,000; Boys and Girls Club in the amount of \$3,850; and the City of Banning Senior Center Restroom Improvements in the amount of \$135,150.

**FISCAL IMPACT:**

The estimated funding under the CDBG Fiscal Year 2025/2026 program is approximately \$159,000. Upon approval of the City Council, the City approved projects will be submitted to the HWS for review and consideration. It is anticipated that final funding approval will be provided to the City by October of 2025.

**ALTERNATIVES:**

If the City Council chooses not to approve any CDBG applications the City will forfeit approximately \$159,000 in funding. It may also affect future CDBG funds for the City.

**BUDGETED?:**

Yes

**CONTRACT/AGREEMENT:**

Yes

**ATTACHMENTS:**

1. [Resolution 2024-182, CDBG for FY25-26.docx](#)
2. [CDBG 2025-2026 Proof of Publication English.pdf](#)
3. [CDBG 2025-2026 Proof of Publication Spanish.pdf](#)
4. [CDBG 2025-2026 Facebook.pdf](#)
5. [CDBG 2025-2026 Instagram.pdf](#)