



COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM PROGRAM YEAR 2016 ACTION PLAN

CITIZEN SUMMARY



Proposed **Community Care Clinic** would offer services for homeless and other street dependent people
(Photo: Interfaith Works Warming Center, which served as one of the models for the Community Care Clinic)

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|---|---|
| <p>OLYMPIA CITY COUNCIL Position 1 Cheryl Selby, Mayor Position 2 Jessica Bateman Position 3 Nathaniel Jones, Mayor Pro Tem Position 4 Clark Gilman Position 5 Julie Hankins Position 6 Jeannine Roe Position 7 Jim Cooper</p> | <p>CITY OF OLYMPIA STAFF Community Planning & Development Department Director Keith Stahley Deputy Director Leonard Bauer Business Manager Karen Kenneson Housing Program Manager Anna Schlecht Housing Program Assistant Tiffany Reid</p> |
|---|---|

To request a copy of this publication in an alternative format, please contact **Tiffany Reid** at 360.753.8062 or via email at treid@ci.olympia.wa.us.

For more information on the Olympia CDBG Program:

M. Anna Schlecht | Olympia Housing Program Manager | aschlecht@ci.olympia.wa.us | 360.753.8183

Citizen Summary

Program Year 2016 Community Development Block Grant Annual Action Plan *FOCUS: Social Services & Housing Rehabilitation*

OVERVIEW

The federal Community Development Block Grant (CDBG) Program, administered by the Department of Housing and Urban Development (HUD), is a flexible program intended to develop viable urban communities by providing: 1) decent housing; 2) suitable living environment; and 3) expanding economic opportunities, principally for low- and moderate-income people.

STRATEGIC GOALS

The City of Olympia identified two strategic goals for this program year – *Social Services* and *Housing Rehabilitation*, however the City will continue to work on *Economic Development* as well. Following is a four-page “Citizen’s Summary” with key information from the **Olympia Community Development Block Grant Program Year (PY) 2016 Annual Action Plan**, which runs from September 1, 2016 - August 31, 2017.

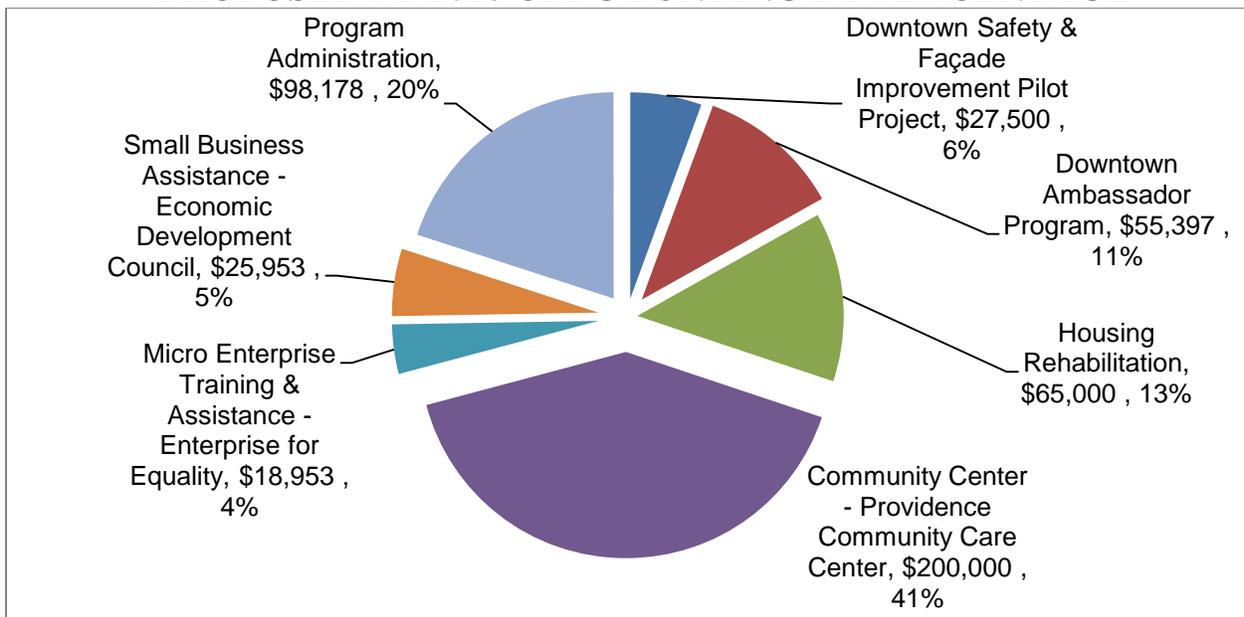
PROPOSED CDBG-FUNDED ACTIVITIES

The following activities will receive funding during the PY 2016 Program Year:

| | |
|------------------|--|
| \$27,500* | Downtown Safety & Façade Improvement Pilot Project |
| \$55,397* | Downtown Ambassador Program |
| \$65,000* | Housing Rehabilitation |
| \$200,000 | Community Center – Providence Community Care Center |
| \$18,864* | Micro Enterprise Training & Assistance – Enterprise for Equity |
| \$25,953* | Small Business Assistance – Economic Development Council |
| <u>\$98,178</u> | <u>Program Administration</u> |
| \$490,892 | TOTAL PROPOSED PY 2016 CDBG FUNDING |

* Includes estimated 10% “Activity Delivery Costs” (ADC) necessary for managing these programs

PROPOSED PY 2016 CDBG FUNDING BY PERCENTAGE



PUBLIC COMMENT

The public comment period runs from June 10 – July 12, 2016, offering the following options:

- **Written comments** care of the Olympia City Council, 601 4th Ave E, Olympia, WA 98501
- **Emails** via councilmembers@ci.olympia.wa.us,
- **Phone calls** to the City Council at 360-753-8244
- **Public hearing** - 7 pm, Tuesday June 21st at Olympia City Hall.

ANTICIPATED RESOURCES

The City anticipates the following financial resources:

| | |
|------------------|---|
| \$340,892 | New CDBG entitlement funds will be allocated to Olympia for PY 2016 |
| <u>\$150,000</u> | <u>Anticipated Program Income</u> |
| \$490,892 | Total anticipated resources for the PY 2016 CDBG Program |

OTHER RESOURCES

In calendar year 2016, the City of Olympia also allocated \$77,568 from the general fund to address emergency shelter, transitional housing, daycare, homeless outreach, and other anti-poverty program through the Community Investment Program (CIP) in partnership with the cities of Lacey and Tumwater and Thurston County.

Federal Regulatory Caps on CDBG Expenditures

The federal CDBG Program operates with a number of regulatory caps intended to balance the use of funds. Following are three key regulatory caps affecting the Olympia CDBG Program: **Social Services Cap**: Federal CDBG regulations require a 15% cap on social services spending, calculated by adding the prior program year's actual program income received to the current program year's grant award. For PY 2016 the following calculation summarizes social services spending:

| | |
|------------------|--|
| \$490,892 | Total CDBG funds for Social Service cap calculation |
| | <i>Potential 15% maximum available for social service allocations = \$68,740</i> |
| \$55,397 | 11% Proposed Social Services Allocations (<i>Downtown Ambassador Program</i>) |

Administration Costs Cap: CDBG regulations provide for up to 20% general administrative costs. Following is a breakdown of these recommended categories of expenditures:

| | |
|------------------|---|
| \$392,714 | CDBG Activities (<i>identified above</i>) |
| \$ 98,178 | General Administration – 20% of total funds (<i>regulatory cap = 20%</i>) |
| <u>\$ 0</u> | <u>Direct Service Delivery Expenses (<i>no funds allocated</i>)</u> |
| \$490,892 | Total PY 2016 Projected Expenditures |

Geographic Distribution

The City of Olympia will direct 100% of CDBG funds to projects and programs benefiting those with low- to moderate-incomes (LMI) and to economic development projects. All projects benefiting geographical areas will be located in designated low- to moderate-income areas.

70% Benefit to Low and Moderate Income People: CDBG is intended to primarily benefit low- and moderate-income people, defined as people with incomes less than 80% of Thurston County's median family income. This includes people who are presumed eligible because they are severely disabled, homeless, along with others. This 70% benefit ratio is determined over the City's three-year certification period. The following chart presents the PY 2016 benefit ratio calculated to be 94%, which will be aggregated over a three-year certification period:

BENEFICIARIES

Federal regulations require that CDBG funds primarily benefit low and moderate income (LMI) people, with 70% of the funds assisting LMI people and households. The following chart presents who this year's funding will benefit:

| Activity | Low & Mod Beneficiary | Funding Level | % Of Total CDBG Funds | LMI Benefit & % of Funds |
|--------------------------------------|--|--|-----------------------|----------------------------|
| Micro Business Training & Assistance | Low & Moderate Income (LMI) | \$18,864 | 4% | Yes – 100% |
| Small Business Assistance | Low & Moderate Income (LMI) | \$25,953 | 5% | Yes – 100% |
| Downtown Ambassador Program | Yes - homeless and mentally ill | \$55,397 | 11% | Yes – 100% |
| CPTED* Safety Program | Mixed | \$27,500 (20% of project benefit LMI) | 6% | Yes - Conditionally |
| Community Care Clinic | Low to moderate income limited clientele (LMC) | \$200,000 | 41% | Yes – 100% |
| Housing Rehabilitation | Low & Moderate Income (LMI) | \$65,000 | 13% | Yes |
| Program Administration | N/A | \$98,178 | 20% | Excluded from ratio |
| TOTAL | | \$490,892 Total amount \$392,714 Subject to ratio | 100% | 94% Benefit LMI People |



AMBASSADOR PROGRAM

The Capital Recovery Center's Ambassador Program provides street outreach and referrals for street dependent people who are homeless or living with mental illness

For more information on the Olympia Community Development Block Grant Program:

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