



# Community Development Block Grant

Proposed Substantial Amendment to the  
Program Year 2022 Annual Action Plan



# What is the CDBG Program?

- The City of Olympia is a grantee of the Department of Housing and Urban Development's (HUD) Community Development Block Grant
- CDBG is a flexible grant that can support community development through a wide variety of activities, ranging from housing rehabilitation, public services, microenterprise assistance, economic development, and more
- The City receives an annual formula allocation of CDBG funds

# Proposed Changes

- City staff propose a change to the CDBG Program Year 2022 Annual Action Plan
- This proposed Substantial Amendment must go through our “**CDBG Citizen Participation Plan**” with 30 days for public comment.
- This meets the definition of a Significant Amendment to the Annual Action Plan because of the following:
  - A change in allocations greater than \$30,000

# New Activity: Heat Pump Group Purchase Campaign

- Funds proposed for allocation are PY 2021 funds of \$75,000
- Funds are proposed to create and support a new activity carried out by the subrecipient **South Puget Sound Habitat for Humanity**.
- CDBG Funds are proposed to match the state's Community Energy Efficiency Program (CEEP) grant.
- CDBG funds will be used to support fully subsidized installation and necessary weatherization improvements to 80% or lower AMI homeowners in the City.
- This project supports the City's pledge to Climate Action and is an eligible CDBG expenditure under *24 CFR 570.202(b)(4)*

# Existing Activity: Downtown Ambassadors

- The City awarded the Downtown Ambassador Program \$35,000 in PY 2022.
- City staff proposed unallocated PY 2021 funds of \$18,000 to award the Downtown Ambassadors a total PY 2022 award of \$53,000
- The increase remains under the 15% public service cap restricted by the block grant

# Summary of Changes

- \$75,000 to South Puget Sound Habitat for Humanity
- \$18,000 to Downtown Ambassadors
- Both funds are unallocated PY 2021 funds that are available due to a large amount of Program Income received during the program year

# What's next?

- The 30 day public comment period for the substantial amendment is running concurrently with the PY 2021 CAPER
- The public comment period runs from **October 14, 2022 – November 14, 2022**
- Consideration of approval is set for the November 15<sup>th</sup>, 2022 City Council meeting



Questions?

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