

PROPOSED SUBSTANTIAL AMENDMENT – OLYMPIA CDBG PROGRAM YEAR 2021

Overview: Staff recommend a *Substantial Amendment* to the current Program Year 2021 (9/1/21 – 8/31/22) CDBG Annual Action Plan to **reallocate CDBG-CV funding and prior program year entitlement funds**. A total of \$93,736.25 is being repaid to HUD. The following PY 2019 activities that were created to respond to COVID-19 will be paid back and repaid with CV-1 funds: Meals on Wheels, Thurston County Food Bank, Homeless Coordinator.

Project: Rental Rehabilitation: Community Development Block Grant funds will be awarded to Olympia Community Solar to install a 95.5 kW rooftop solar energy system on seven Olympia single family low-income rental homes. The systems, engineered and installed by South Sound Solar, include SilFab modules, SolarEdge inverters and monitoring.

The estimated total cost of the project is \$250,301.70. The CDBG funding going to this project is the \$93,736.25 of returned prior program year (PY 2016, 2017, 2018) funds as well as an additional \$92,752.35 of unspent prior program year funds (PY 2015, 2017, 2018) for a total of \$186,488.60. The installation is set to begin in early spring 2023. The remaining balance will be paid with CDBG PY22 entitlement funds.

Homes First has a mission to create and maintain healthy, safe, and affordable rental housing for low and extremely-low-income individuals and families. Homes First has served over 5,000 people since their founding in 1990. They own and/or manage 46 properties, annually providing over 275 tenants with respect, dignity, and support to ensure that they have every opportunity to be successful.

Project: Homeless Facilities Rehabilitation (not operating costs) Community Development Block Grant funds will be awarded to Catholic Community Services to rehabilitate their facility at Drexel House. \$90,000 of combined unspent prior program year PY 2015 and 2020 CDBG funds and Program Income will be used to replace the flooring in the Drexel House in both the permanent supportive housing facility as well as the emergency shelter.

The Drexel House campus provides a continuum of housing care in a safe environment that fosters respect and dignity, with an emergency shelter for 16 men and 86 units of permanent supportive housing for men and women coming out of homelessness. Drexel House serves homeless men and women who are first screened through SideWalk's coordinated entry and are rated as the most vulnerable members in Thurston County. Case management, referrals, transportation and supportive services are provided on-site.

Proposed Substantial Amendment: This proposed Substantial Amendment must go through our “**CDBG Citizen Participation Plan**” with 30 days for public comment. This public process can run concurrent to the Program Year 2021 Annual Action Plan public process. This meets the definition of a Significant Amendment to the Annual Action Plan because of the following:

- A change in allocation priorities, which is considered a change of federal funds awarded to a project of greater than 30 percent or \$30,000, whichever is greater;
- A major change in the scope of an activity;
- The addition or deletion of a specific activity;
- A change in the beneficiaries of an activities; or

CDBG Eligibility: Rental Rehabilitation is eligible for CDBG funding and meets the national objective of Low-Moderate Housing Activity:

Energy Efficiency Improvements: Housing rehabilitation with the sole purpose of improving energy efficiency (e.g. weatherization, solar, etc) **HUD Code 14F**

CDBG Eligibility: Homeless Facilities Rehabilitation is eligible for CDBG funding and meets the national objective of Low-Moderate Limited Clientele Activity:

Homeless Facilities (not operating costs): Acquisition, construction, conversion of buildings, or rehabilitation of temporary shelters and transitional housing for the homeless, including victims of domestic violence, dating violence, sexual assault or stalking, disaster victims, runaway children, drug offenders, and parolees. **HUD Code 03C**

DRAFT AMENDMENT OF PROGRAM YEAR 2021 CDBG ANNUAL ACTION PLAN

Highlighted in yellow is the proposed amendment to the Olympia PY 2021 Plan, to be funded by re-allocated funds from prior CDBG years:

| Recipient | Project | HUD Goal(s) | HUD Objectives | Proposed Funding |
|--|--|------------------------------------|---|---|
| Olympia Community Solar | Housing | Rental Rehabilitation | LMH – Low/Moderate Housing | \$186,488.60 (PY 2015, 2016, 2017, 2018 reallocation) |
| Catholic Community Services | Housing | Homeless Facilities Rehabilitation | LMC – Low/Moderate Limited Clientele | \$90,000 (PY 2015 an 2020 reallocation and Program Income) |
| Rebuilding Together South Sound | Housing | Rental Rehabilitation | LMH – Low/Moderate Housing | \$100,000 |
| Northwest Coop Development Center | Business Training and Technical Assistance | Economic Development | LMJ – Low/Moderate Jobs | \$50,000 |
| Housing Authority Thurston County | Housing | Rental Rehabilitation | LMH – Low/Moderate Housing | \$50,000 |
| Homes First | Housing | Housing Administration | LMH – Low/Moderate Housing | \$50,000 |
| City of Olympia | Olympia Downtown Ambassadors | Public Services | LMC – Low/Moderate Income – Limited Clientele | \$50,000 |
| City of Olympia | Program Administration | N/A | N/A | \$91,548 |
| | | PY 2021 | ALLOCATIONS | \$668,036.60 |

PUBLIC COMMENT

The 30-Day public comment period runs from **March 11, 2022 – 12:00pm, April 12, 2022**, offering the following options:

- **Written comments:** Olympia City Council, 601 4th Ave E, Olympia, WA 98501 ATTN: CDBG
- **Emails:** cdbg@ci.olympia.wa.us,
- **Phone calls:** 360.233.6197
- **Public hearing:** March 29th, 2022 at 7:00 p.m. at City Council via Zoom
- **Council Approval:** April 19th, 2022 at 7:00 p.m. at City Council via Zoom

For more information:

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