



COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM PROGRAM YEAR 2017 ACTION PLAN

CITIZEN SUMMARY



Clockwise from top left: Downtown Warming Center, Downtown Ambassador / Street Outreach Program, Business Training, Downtown Safety Projects, Housing Rehabilitation.

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**

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**

Program Year 2017 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) a 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) 2017 Annual Action Plan**, which runs from September 1, 2017 - August 31, 2018.

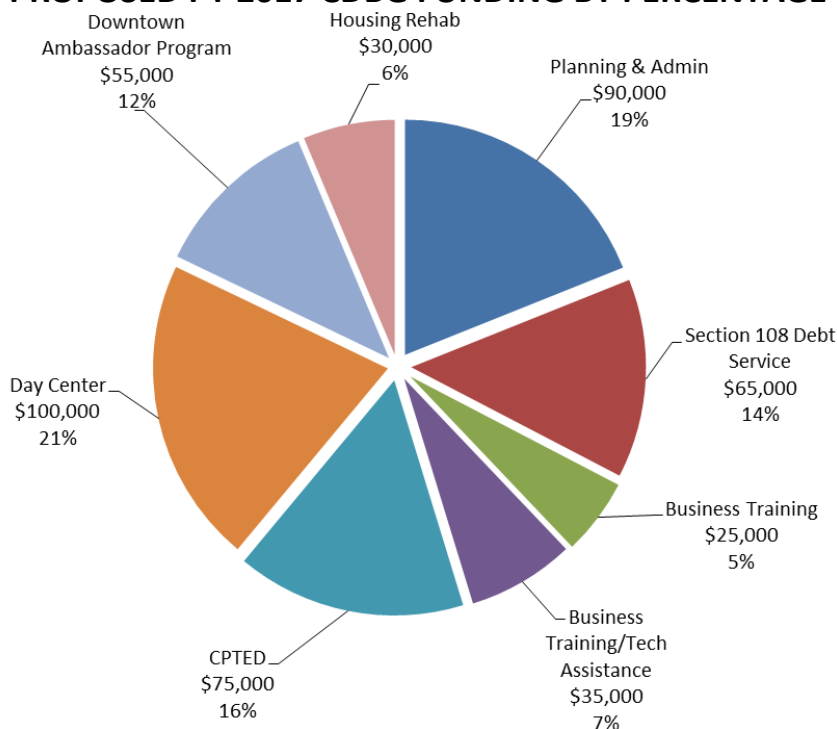
PROPOSED CDBG-FUNDED ACTIVITIES

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

\$30,000*	Housing Rehabilitation
\$100,000	Community Center – Interfaith Works Year-round Day-Center
\$75,000	CPTED** Downtown Safety & Façade Improvement
\$35,000*	Micro Enterprise Training & Assistance – Olympia Downtown Assn.
\$25,000*	Small Business Assistance – Economic Development Council
\$55,000*	Downtown Ambassador Program
\$65,000	HUD Section 108 Loan Re-payment - Required
\$90,000	Program Administration - Required
\$475,000	TOTAL PROPOSED PY 2016 CDBG FUNDING

*Includes estimated 10% “Activity Delivery Costs” (ADC) necessary for managing these programs
 **Crime Prevention through Environmental Design (CPTED)

PROPOSED PY 2017 CDBG FUNDING BY PERCENTAGE



PUBLIC COMMENT

The public comment period runs from June 7 – July 7, 2017, 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 20th at Olympia City Hall.

ANTICIPATED RESOURCES

The City anticipates the following financial resources:

\$350,000	New CDBG entitlement funds will be allocated to Olympia for PY 2017
<u>\$125,000</u>	<u>Anticipated Program Income</u>
\$475,000	Total anticipated resources for the PY 2017 CDBG Program

OTHER RESOURCES

In calendar year 2017, 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 programs 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 the 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 2017 the following calculation summarizes social services spending:

\$616,584	Total CDBG funds for Social Service cap calculation
	<i>Potential 15% maximum available for social service allocations = \$92,488</i>
\$55,000	9% 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:

\$385,000	CDBG Activities (<i>identified above</i>)
\$ 90,000	General Administration – 19% of total funds (<i>regulatory cap = 20%</i>)
<u>\$ 0</u>	<u>Direct Service Delivery Expenses (<i>no funds allocated</i>)</u>
\$475,000	Total PY 2017 Projected Expenditures

Geographic Distribution

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.

In PY2017 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.

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 those that this year’s funding will benefit:

Recipient	Project	Outcomes	Strategic Goal(s) Met	HUD CDBG Objective(s) Met	Proposed PY 2016 Award
	Planning & Administrative Costs	Staffing required to run a compliant program			\$90,000
	Section 108 Debt Service	Repayment on a prior year Section 108 loan			\$65,000
Economic Development Council	Business Training	“Tune-Up” Business Training	Economic Development	Low/mod limited clientele, microenterprise (LMCMC)	\$25,000*
Olympia Downtown Association	Business Training & Technical Assistance	Downtown based training and technical assistance	Economic Development	Low/mod area benefit (LMA)	\$35,000*
TBD	Crime Prevention Through Environmental Design	Various downtown safety projects (alley lighting, alcove gates, security lighting/cameras, etc.)	Economic Development	Low/mod area benefit (LMA)	\$75,000*
Interfaith Works	Interfaith Works Year-round Day Center	Combined warming center and year-round center	Public Facilities	Low/mod limited clientele benefit (LMC)	\$100,000*
Capital Recovery Center	Downtown Ambassador Program	Street outreach, referrals and other assistance to homeless, street-dependent and mentally ill people	Social Services	Low/mod limited clientele benefit (LMC)	\$55,000*
TBD	Housing Rehabilitation**	Housing rehabilitation projects	Housing Rehabilitation	Low/mod housing benefit (LMH)	\$30,000*
Total:					\$475,000
* Includes Activity Delivery Costs (ADC)					
** Housing Rehab sub-total to be indexed to actual program income receipts					

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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