

CITY OF OLYMPIA
Community Development Block Grant
(CDBG) Program



1ST Proposed Substantial Amendment
Program Year 2022

PROPOSED SUBSTANTIAL AMENDMENT – OLYMPIA CDBG PROGRAM YEAR 2022

Overview: Staff recommend a *Substantial Amendment* to the current Program Year 2022 (PY 22) (9/1/22 – 8/31/23) CDBG Annual Action Plan to **allocate unspent prior Program Year 2021 (PY 21) CDBG funding**. The City proposes a total of \$93,000 in unallocated PY 21 federal funds to be allocated towards one existing activity and one new activity.

The City has a total of \$155,330.34 in PY 21 funds available to allocate to activities. This is due to a large amount of Program Income received during the program year, as well as the canceled activity 306, Housing Authority of Thurston County (\$50,000 award). Program Income must be disbursed for eligible activities before the City can request entitlement funds from the U.S. Treasury: *24 CFR 570.504(b)(2)(ii) – Substantially all other program income shall be disbursed for eligible activities before additional cash withdrawals are made from the U.S. Treasury*. Program income receipted in PY 21 totaled \$102,175.09 (not including program income directed to the Revolving Loan Fund). Due to the receipt of this program income, these funds were drawn before the allocated PY 21 entitlement funds were drawn, so there is a surplus in unallocated CDBG funding. The City plans to propose an additional substantial amendment to the PY 22 Annual Action Plan in the coming months to award additional unallocated funding to eligible activities.

Project: Heat Pump Group Purchase Campaign – Funds are proposed to create and support a new activity carried out by the subrecipient **South Puget Sound Habitat for Humanity**. City Climate and CDBG staff worked alongside Habitat for Humanity to apply for a \$75,000 state Community Energy Efficiency Program (CEEP) grant to fund heat pump purchase and weatherization improvements for low/moderate income homeowners in the City of Olympia. CDBG funds are proposed to match the \$75,000 CEEP grant award to bolster the total for this project to \$150,000. CDBG funds will be used to support fully subsidized installation and necessary weatherization improvements to 80% or lower AMI homeowners in the City. **Additional funding being allocated: \$75,000.**

CDBG Eligibility: 24 CFR 570.202(b)(4) – IDIS Matrix code: 14F Energy Efficiency Improvements

Project: Downtown Ambassadors Funds were awarded to the Downtown Ambassadors in PY 22 for \$35,000. City staff propose unallocated PY 2021 funds of \$18,000 to award the Downtown Ambassadors a total PY 2022 award of \$53,000. This increase remains under the 15% public service cap restricted by the block grant. **Additional funding being allocated: \$18,000.**

CDBG Eligibility: 24 CFR 570.202(e) – IDIS Matrix code: 05Z Other Public Services Not Listed

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 CAPER 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

DRAFT AMENDMENT OF PROGRAM YEAR 2022 CDBG ANNUAL ACTION PLAN

Highlighted in yellow is the proposed amendment to the Olympia PY 22 Plan, to be funded by re-allocated funds from prior CDBG years:

Recipient	Project	HUD Goal(s)	HUD Objectives	Proposed Funding
City of Olympia	Downtown Ambassadors	Public Services	LMC – Low/Moderate Income Limited Clientele	\$53,000 <i>(original \$35,000 – additional proposed \$18,000)</i>
South Puget Sound Habitat for Humanity	Heat Pump Weatherization Improvements	Homeowner rehabilitation	LMH – Low/Moderate Income Housing	\$75,000
South Puget Sound Habitat for Humanity	Housing	Critical Home Repair Administration	LMH – Low/Moderate Income Housing	\$50,000
Olympia Community Solar	Homes First Solar Installation	7 homes rented to low-income renters receive solar	LMH – Low/Moderate Income Housing: Energy Efficiency	\$63,813
Rebuilding Together Thurston County	Rehabilitation: Single Unit Residential	Critical Home Repair	LMH – Low/Moderate Income Housing: Energy Efficiency	\$25,000
Community Youth Services	ADA-Accessible Elevator Installation at Behavioral Health Facility	Public Facilities Improvement	LMC – Low/Moderate Limited Clientele	\$120,000
City of Olympia	Program Administration	N/A	N/A	\$74,374
		PY 2022	ALLOCATIONS	\$461,187

PUBLIC COMMENT

The 30-Day public comment period runs from **October 14, 2022 – November 14, 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:** November 1, 2022 at 7:00 p.m. at City Council
- **Council Approval:** November 15, 2022 at 7:00 p.m. at City Council



For more information:

Anastasia Everett Community Development Block Grant Program Specialist
aeverett@ci.olympia.wa.us | 360.233.6197
