

**CITY OF OLYMPIA**  
Community Development Block Grant  
(CDBG) Program



2<sup>nd</sup> 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 (PY) CDBG funding**. The City proposes a total of \$150,000 of unallocated PY 17, PY19, PY20 and PY21 federal funds to be allocated towards one new home rehabilitation activity. Activity will support rehabilitation and energy efficiency improvements to approximately 10 properties owned by Homes First. Homes First provides affordable housing for tenants at or below 50% area AMI. The City also proposes \$20,000 of CDBG-CV2 (Commerce) funding to be directed to one new public service activity to support resources and services for community members experiencing homelessness. Subrecipient is Olympia Mutual Aid Partnership (OlyMAP).

The City has a total of \$163,737 in prior program year entitlement funds available to allocate to activities. This is due to a large amount of Program Income received in the past five years and activity repayments to HUD. 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 received in PY 21 totaled \$102,175.09 (not including program income directed to the Revolving Loan Fund).

**Project: Homes First Rehabilitation** – Funds are proposed to create and support a new activity carried out by the subrecipient **Homes First**. Homes First plans to leverage CDBG funding to receive Commerce Building Electrification funds of \$1,000,000. CDBG funds will go towards electrifying their rental properties in the City of Olympia. Homes First owns and manages 21 rental properties in Olympia, all tenants have a household income of less than 50% area AMI. Examples of electrifying and energy efficiency improvements include solar panel installation, window installation, heat pump installation, water heater installation, and new roofs.

**Funding being allocated: \$150,000**

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

**Project: OlyMAP** – Funds will provide expanded case management and site support services for OlyMAP staff to support under-served homeless adults. OlyMAP currently provides limited outreach-based case management and site support services for the New Hope Village and Nickerson camp communities, including supported self-governance services. Services will be expanded in both sites.

**Funding being allocated (Commerce CV-2): \$20,000.**

**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

**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:*

<b>Recipient</b>	<b>Project</b>	<b>HUD Goal(s)</b>	<b>HUD Objectives</b>	<b>Proposed Funding</b>
<b>Homes First</b>	Electrifying Homes First rental properties	Energy Efficiency Rehabilitation	LMH – Low/Moderate Income Housing	<b>\$150,000</b>
<b>City of Olympia</b>	Downtown Ambassadors	Public Services	LMC – Low/Moderate Income Limited Clientele	<b>\$53,000</b>
<b>South Puget Sound Habitat for Humanity</b>	Heat Pump Weatherization Improvements	Homeowner rehabilitation	LMH – Low/Moderate Income Housing	<b>\$75,000</b>
<b>Olympia Community Solar</b>	Housing	Energy Efficiency Rehabilitation	LMH – Low/Moderate Income Housing	<b>\$63,813</b>
<b>Rebuilding Together Thurston County</b>	Critical Home Repair	Homeowner rehabilitation	LMH – Low/Moderate Income Housing	<b>\$25,000</b>

<b>South Puget Sound Habitat for Humanity</b>	Housing	Critical Home Repair Administration	LMH – Low/Moderate Income Housing	<b>\$50,000</b>
<b>Community Youth Services</b>	ADA-Accessible Elevator Installation at Behavioral Health Facility	Public Facilities Improvement	LMC – Low/Moderate Limited Clientele	<b>\$120,000</b>
<b>City of Olympia</b>	Program Administration	N/A	N/A	<b>\$74,374</b>
		<b>PY 2022</b>	<b>ALLOCATIONS</b>	<b>\$611,187</b>

Table does not include Commerce (CV-2) funding, and only reflects Olympia’s PY 2022 HUD Entitlement funds

**PUBLIC COMMENT**

The 30-Day public comment period runs from **January 27, 2023 – February 27, 2023**, offering the following options:

- **Written comments:** Olympia City Council, 601 4<sup>th</sup> Ave E, Olympia, WA 98501 ATTN: CDBG
- **Emails:** [cdbg@ci.olympia.wa.us](mailto:cdbg@ci.olympia.wa.us),
- **Phone calls:** 360.233.6197
- **Public hearing:** February 13<sup>th</sup>, 2023 at 6:00 p.m. at City Council
- **Council Approval:** February 28<sup>th</sup>, 2023 6:00 p.m. at City Council



**For more information:**

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