

## Olympia CDBG Program Overview and History

**Purpose:** CDBG was created as a “bundled” federal aid program that brought together many formerly separate federal programs into one block grant program. The CDBG Program was intended to assist in the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income . The program was designed with flexibility to allow communities to determine how to meet the specific local needs of low-moderate income individuals.

**Olympia’s CDBG Program:** The City of Olympia became a CDBG entitlement city in 1982. This means that the City receives a CDBG annual grant on a formula basis determined by population and other factors. As an entitlement city, Olympia cannot apply in the State CDBG program, which is intended for non-entitlement cities and counties. Since 1982, the City of Olympia has received \$12,540,060 in CDBG funds.

### **CDBG Program Year Calendar**

The Olympia CDBG Program operates on a unique fiscal year, running from September 1 through August 31. During the program year, the City follows a timeline to ensure a compliant program that meets its milestones for administration. Please note that the federal deadlines are listed with specific dates and the progressive tasks indexed are by month or two-month milestones.

While there is some flexibility to schedule the progressive tasks, sufficient time is needed to allow for:

- Public notices of meetings;
- Public comment periods;
- Progression through public hearings and committee review and recommendations; Staff time to complete all supporting documentation.

The following is a general timeline that facilitates a compliant program:

- **September 1<sup>st</sup>:** CDBG Program Year begins.
- **October - November:** Council reviews CDBG program Consolidated Plan goals, reviews and approves a CDBG “Request for Proposals” or RFP. (**Please note:** This milestone dates to **previous** Council and staff timelines.)
- **November 15<sup>th</sup>:** City submits its annual report called the “CAPER”
- **December - January:** Release of CDBG RFP; hosting of community partner meetings to discuss program goals and potential applications. (**Please note:** This milestone dates to **previous** Council and staff timelines.)

- **February - April:** Deadline for submitting CDBG proposals; Public Hearing.
- **April - May:** Council Committee review of proposals and public comments to develop recommendations for Council action. (**Please note:** This milestone dates to **previous** Council and staff timelines.)
- **May - June:** Council decision on activities to be funded.
- **June:** Staff develop “CDBG Annual Action Plan” based on Council action. Public Notice of the 30-day public comment period allowing for review of the draft plan.
- **June 30 (HUD DEADLINE):** HUD monitors CDBG fund balance to ensure timely use of federal tax dollars; requires that no more than 1.5 times the last CDBG grant still unspent.
- **July 15 (HUD DEADLINE):** “CDBG Annual Action Plan” submitted to HUD (45 days before the beginning of the new program year).
- **August:** Monitoring of sub-recipients (social service and micro-enterprise CDBG recipients).
- **August 31:** Program year ends.
- **September 1:** New program year starts.

## CDBG Consolidated Plan & Annual Action Plan

**Purpose of Community Development Block Grant Consolidated Plan:** The City is required by Housing and Urban Development regulations to submit a “**Consolidated Plan**” to serve as the blueprint for how federal Community Development Block Grant (CDBG) funds will be utilized locally. The strategies and goals selected will allow the City to pursue activities that meet needs of low- and moderate-income residents as identified through research of local government needs data, an online survey, and a series of focus groups. Each year, the Consolidated Plan is supplemented by an “Annual Action Plan” that describes the specific activities to be undertaken with clear linkage to the Consolidated Plan strategies.

This plan also incorporates research and analysis of the current housing market, housing and homeless needs assessments, lead paint hazard assessments, review of special needs facilities and services, and barriers to affordable housing.

**Annual Action Plan:** Each year of the Consolidated Planning period is developed via the Annual Action Planning process. The Annual Action Plan clearly describes specific programs and projects to be funded with sufficient detail that community

stakeholders can understand how the Annual Action Plan will affect them. The activities identified within the one-year Annual Plan presented in the context of the identified strategies of the multi-year Consolidated Plan. The City can amend both plans at any time by following the “Citizen Participation Process” which lets citizens and other stakeholders know when and how they can participate in the public process.

The Annual Action Plan also sets the standards for performance measurements that are presented in the annual report called the Consolidated Annual Performance and Evaluation Report (CAPER).

## Process for Review of CDBG Proposals

Each year the Council goes through a public process to determine how to utilize CDBG funds and develop the Annual Action Plan for the coming Program Year. Each year the Council also refines the *process* of *how* they make their decisions. Following is a brief overview of the process for CDBG proposals has been refined over the years:

- **1982 - 2004:** Proposals reviewed and ranked by staff with recommendations presented to Council subcommittee and final decision by Council.
- **2005 - 2008:** Proposals reviewed and ranked only by Council subcommittee and final decision by Council.
- **2009 - 2013:** Preliminary review and ranking of Proposals first by staff with recommendations presented to Council subcommittee and final decision by Council.

Each year the Council directs staff to refine the methodology for review, specifically looking at ways to rank proposals. In Program Year 2011, Council directed staff to meet with United Way staff to review and incorporate parts of the United Way of Thurston County’s review process, widely recognized as a “best practice” approach to grant making. One of the key practices by United Way - - empaneling stakeholder pre-view & screening committees - - has yet to be adopted by the Council.

## Criteria for Review

Since 2005, the Council has utilized specific criteria to review CDBG proposals. These criteria have been based primarily on the proposals ability to achieve the following six criteria:

- ***CDBG Consolidated Plan*** - the CDBG Strategic Plan;

- ***Thurston County Ten-Year Plan*** - Strategic plan to reduce homelessness by 50% by the year 2015;
- ***Council Goals*** - Proposal's relationship to established Council goals;
  - **2013: "Invest in Downtown"**
    - "Increase and regionalize work on substance abuse, homelessness etc..."
  - **2013 "Inspire Strong Relationships"**
    - "Strong and healthy regional partnerships"
- ***Leveraging Capacity*** to access other public and private financing;
- ***Project Readiness*** - Proposal demonstrates that project is ready to go (ability to timely expend the funds) and that applicant demonstrates a strong capacity to deliver; and
- ***Collaboration*** - Proposal leverages significant involvement from other community partners.

Council may considered additional criteria for proposals:

- ***Singular Project*** - Proposals accepted for singular capital project only.
- ***Identify Target Leverage Source(s)*** - Proposals leverage specific funding sources, i.e., HOME funding, Olympia Section 108 funding; State Housing Finance Tax credits, etc....
- ***Specific Type of Project*** - Proposals limited to specific type of project, i.e., affordable housing; emergency shelter; community center; mixed-use project; economic development project, etc...